The Study of the Upazila Governance and Development Project in the People's Republic of Bangladesh

Final Report

February 2015

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CURRENCY EQUIVALENTS

(Exchange Rate Effective: January 2015)

Currency Unit = Bangladeshi Taka (BDT)

US$1 = BDT 77.50

JPY 1 = BDT 0.649

BDT 1 = US$0.01290 = JPY 1.54

ABBREVIATIONS AND ACRONYMS

AC	Assistant Commissioner
ACAD	Advanced Course on Administration and Development
ACE	Additional Chief Engineer
ADB	Asian Development Bank
ADC	Additional Deputy Commissioner
ADFP	Assistant Director Family Planning
ADM	Additional District Magistrate
ADP	Annual Development Program
APR	Annual Performance Report
AS	Assistant Secretary
BARD	Bangladesh Academy for Rural Development
BBG	Basic Block Grant
BCS	Bangladesh Civil Service
BCSAA	Bangladesh Civil Service Administration Academy
BD	Basic Design
BDT	Bangladeshi Taka
BEISP	Bangladesh Environmental Institutional Strengthening Project
BFIDC	Bangladesh Forest Industries Development Corp
BFRI	Bangladesh Forest Research Institute
BIDS	Bangladesh Institute of Development Studies
BIM	Bangladesh Institute of Management
BNH	Bangladesh National Herbarium
BOG	Board of Governors
BPATC	Bangladesh Public Administration Training Centre
BRDB	Bangladesh Rural Development Board
BRDTI	Bangladesh Rural Development Training Institute
C&AG	Comptroller and Auditor General
CAP	Country Assistance Program
CBD	Convention on Biological Diversity
CD	Capacity Development
CGA	Controller General of Accounts
CHT	Chittagong Hill Tracts
CiG	Citizens in Governance
CPTU	Central Procurement Technical Unit
CSO	Community Service Organization
D/A	Designated Account
DC	Deputy Commissioner
DC	Design Contest
DD	Detail Design
DDCCM	District Development Coordination Committee Meeting
DDLG	Deputy Director, Local Government
DDO	Drawing and Disbursement Officer
DG	Director General
DGIS	Directorate General for International Cooperation
DLG	Director, Local Government
DOC	Department of Cooperatives
DoE	Department of Environment
DORP	Development Organization of the Rural Poor
DPD	Deputy Project Director
DPHE	Department of Public Health Engineering
DPM	Direct Procurement Method

DPP	Development Project Proposal/Development Project Proforma
EA	Environmental Assessment
ECA	Environmental Conservation Act
ECC	Environmental Clearance Certificate
ECNEC	Executive Committee of the National Economic Council
ECR	Environmental Conservation Rule
EIA	Environmental Impact Assessment
EMP	Environmental Management Program
EOI	Expression of Interest
ERD	Economic Relations Division
ESMF	Environment and Social Management Framework
ESMS	Environmental and Social Management System
ETP	Effluent Treatment Plant
EU	European Union
FAPAD	Foreign-Aided Projects Audit Directorate
F/C	foreign currency
FF	Financial Forecast
FFW	Food for Work
FM	Financial Management
FO	Field Operation
FS	Feasibility Study
FTC	Foundation Training Course
FY	Fiscal Year
GC	Gram Committee
GC	Growth Center
GEF	Global Environmental Facility
GoB	Government of Bangladesh
HOPE	head of procuring entity
HQs	headquarters
HRD	Human Resource Development
HSI	HELVETAS Swiss Intercooperation
IAWG	Inter Agency Working Group
iBAS	Integrated Budget and Accounting System
IBRD	International Bank for Reconstruction and Development
ICAB	Institute of Chartered Accountants of Bangladesh
ICP	international competitive procurement
ICT	Information and Communication Technology
IDA	International Development Association
IEE	Initial Environmental Examination
IGS	Institute of Governance Studies
IMED	Implementation Monitoring and Evaluation Division
IPS	Improving Public Services
IRESPPW	Integrated Rural Employment Support Project for the Poor Women
IRIDP	Important Rural Infrastructure Development Project
IUCN	International Union for Conservation of Nature
JICA	Japan International Cooperation Agency
JOCV	Japan Overseas Cooperation Volunteers
L/A	Loan Agreement
L/C	local currency
LCS	least cost selection
LGD	Local Government Division
LGED	Local Government Engineering Department
LGI	Local Government Institution

LGSP	Local Governance Support Project
LGSP2	Local Governance Support Project Phase 2
LGU	Local Government Unit
LIC	Learning and Innovation Component
LTM	Limited Tendering Method
MDGs	Millennium Development Goals
MIE	Monitoring, Inspection and Evaluation
MIS	Management Information System
MLGRD&C	Ministry of Local Government, Rural Development and Cooperatives
MLSS	Member of Lower Subordinate Staff
MOCSO	Medical Officer Civil Surgeon's Office
MoEF	Ministry of Environment and Forests
MOF	Ministry of Finance
MoL	Ministry of Land
MoPA	Ministry of Public Administration
MOU	Memorandum of Understanding
MP	Member of the Parliament
MPA	Ministry of Public Administration
MTBF	Medium Term Budgetary Framework
N/A	not applicable or not available
NAPD	National Academy for Planning and Development
NBD	Nation Building Department
NBSAP	National Biodiversity Strategy and Action Plan
NCP	National Competitive Procurement
NCS	National Conservation Strategy
NEMAP	National Environmental Management Action Plan
NEP	National Environmental Policy
NGO	non-governmental organization
NICAR	National Implementation Committee for Administrative Reorganization/Reforms
NILG	National Institute of Local Government
O&M	Operation and Maintenance
ODA	Official Development Assistance
OJT	on-the-job training
OP	Operational Policy
OTM	Open Tendering Method
PBA	Performance Based Allocation
PBG	Performance Based Grant
PBGS	Performance Based Grant System
PC	Planning Commission
PD	Project Director
PDBF	Palli Daridro Bimochon Foundation
PDDM	Project Planning, Development and Management
PEC	Proposal Evaluation Committee
PER	Preliminary Environmental Review
PGDRD	Post Graduate Diploma in Rural Development
PIC	Project Implementation Committee
PMU	Project Management Unit
POC	Proposal Opening Committee
PPA	Public Procurement Act
PPR	Public Procurement Rule
PRDP	Participatory Rural Development Project
PRDP2	Participatory Rural Development Project Phase II
PRSP	Poverty Reduction Strategy Paper

PSC	Project Selection Committee
QCBS	Quality and Cost Based Selection
RDA	Rural Development Academy
RDCD	Rural Development and Cooperatives Division
RFD	Request of Disbursement
RFQ	Request for Quotation
RS	Reconciliation Statement
SAF	Special Assistance Facility
SAPI	Special Assistance for Project Implementation
SAS	Senior Assistant Secretary
SBCQ	Selection Based on Consultant's Qualifications
SC	Standing Committee
S/C	Steering Committee
SDC	Swiss Development Cooperation
SDLG	Strengthening Democratic Local Governance
SEL	Small Enterprise Loan
SFB	Selection under a Fixed Budget
SFYP	Sixth Five Year Plan
SLGDP	Sirajganj Local Government Development Project
SOE	Statement of Expenditure
SSC	Senior Staff Course
SSC	Scheme Supervision Committee
SSS	Single Source Selection
TA	technical assistance
TA&DA	Transport Allowance and Daily Allowance
TEC	Tender Evaluation Committee
TLCC	Town Level Coordination Committee
TOR	Terms of Reference
ToT	Training of Trainers
TQM	Total Quality Management
UAO	Upazila Accounts Officer
UAO	Upazila Agriculture Officer
UCC	Union Coordination Committee
UCCM	Union Coordination Committee Meeting
UDCC	Union Development Coordination Committee
UDCCM	Union Development Coordination Committee Meeting
UDF	Upazila Development Facilitator
UDO	Union Development Officer
UGDP	Upazila Governance and Development Project
UGIAP	Urban Governance Improvement Action Program
UGIIP	Urban Governance and Infrastructure Improvement Project
UISC	Union Information and Service Centre
UN	United Nations
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNO	Upazila Nirbahi Officer
UOS	Upazila Office Superintendent
UP	Union Parishad
UPGP	Union Parishad Governance Project
UPIO	Upazila Project Implementation Officer
UPP	Upazila Project Format
URDO	Upazila Rural Development Officer

URT	Upazila Resource Team
USAID	United States Agency for International Development
USD	United States dollar
USSO	Upazila Social Service Officer
UWAO	Upazila Women Affairs Officer
UZDF	Upazila Development Fund
UZGP	Upazila Governance Project
UZP	Upazila Parishad
VAT	value added tax
VC	Village Committee
WASA	Water and Sewage Authority
WATSAN	Water Supply and Sanitation Committees
WB	World Bank
WC	Ward Committee
WDF	Women's Development Forum
WLCC	Ward Level Coordination Committee
WMCA	Water Management Cooperative Association

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EXECUTIVE SUMMARY

1   OUTLINE OF THE STUDY

This Study is feasibility study on the proposed Upazila Governance and Development Project.   Its main objective is to collect and provide data and information necessary for JICA to assess the suitability and acceptability of the Project to be financed as a yen-loan project.

Upazila is a local government institution of Bangladesh, which is placed between two other layers, District and Union.   Upazila is important because of its appropriate size for planning and development interventions.   Though its institutional basis has been consolidated in recent years, it still faces many challenges.   It is therefore necessary to initiate a comprehensive and integrated project to strengthen local governance focusing particularly on Upazila as a pivotal institution to realize decentralized and effective service delivery to local communities throughout the country.

This Study is scheduled from July 25, 2014 through March 13, 2015.

2   OUTLINE OF THE PROJECT

The Upazila Governance and Development Project (the Project) is proposed to support Bangladesh's comprehensive decentralization measures that strengthen Upazila as a pivotal local government institution, promote needs-based rural infrastructure development and provide better service delivery to the local communities.   The Project will cover all 489 Upazila Parishads of Bangladesh.   Its duration is six years starting in 2015.   The Project consists of four components:

Component 1: Upazila Development for Improving Service Delivery [financing sub-projects]
Component 2: Capacity Development and Governance Improvement [training and Upazila Development Facilitators]
Component 3: Project Management Support [audit and performance assessment]
Component 4: Consulting Services [international and national consultants]

The implementing agency is the Local Government Division (LGD) of the Ministry of Local Government, Rural Development and Cooperatives.   A number of training institutions like NILG (National Institute of Local Government) will take part as partner institutions.

3   REVIEW AND ANALYSIS OF CURRENT SITUATION

3.1 Bangladesh's Policy on Local Governance.   Local governance is given a high priority in Bangladesh.   "Perspective Plan of Bangladesh 2010-2021" recognizes the critical roles of Local Government Institutions (LGIs) for good governance and rural development, and envisions devolution of power, functions, and fiscal authority to LGIs over the long term.   Bangladesh currently employs a three-layer local government system: District, Upazila Parishad and Union Parishad.   Separate acts exist to regulate Upazila Parishad and Union Parishad, respectively, but some functions and revenue sources overlap, causing confusion and conflict among Upazila and Union stakeholders.

3.2 Socio-Economic Conditions.   This section overviews the social and economic conditions of Bangladesh using a few indicators: population, poverty incidence, education and literacy, public health, household characteristics, and the situation of socially disadvantaged groups.

3.3 System of Local Governance.   In its first half, this section details the Divisions, Departments and Institutions under the Ministry of Local Government, Rural Development and Cooperatives.   In the second half, it describes the working of Local Government Institutions (District, Upazila Parishad and Union Parishad).   Various problems are pointed out (e.g., lack of five-year plan, total dependency on Nation Building Departments for service delivery, undue interventions from LGD and Members of Parliament).   They will be further dealt with in Section 7.1: Policy Recommendations on Local Governance.

3.4 System of Public Financial Management.   In recent years, GoB allocates around 15% of total

budget to the "Agriculture and Rural Development" sector.   Out of this, 6 to 7 % goes to LGD alone. LGD further allocates this budget as Annual Development Program (ADP) funds to Upazila Parishads, which is a form of fiscal transfer.   At the same time, various ministries and agencies implement their respective projects in Upazila Parishads, but these expenditures (far larger than ADP budget when combined) are not reflected in the Upazila's budget plan.   Sectoral allocation of ADP budget has been rigidly guided by LGD.   More discretion is recently given to Upazila Parishads but many of them are unaware of this LGD directive.   Comprehensive budgeting has yet to be achieved by most Upazila Parishads.   Accounting at Upazila Parishads is mostly done manually.   The Integrated Budget and Accounting System (iBAS) is used only by 26% of Upazila Parishads.   Upazila Parishads should undergo external auditing but its frequency is once in 4 or 5 years due to the sheer number of the auditees.

3.5 Development Partners' Assistance in the Local Governance Sector.   This section reviews major donor-assisted projects in the local governance sector: Local Governance Support Project (LGSP) I and II with the World Bank; Union Parishad Governance Project (UPGP) with UNDP and others; Upazila Parishad Governance Project with UNDP and others; Sharique with Swiss Development Cooperation; and Strengthening Democratic Local Governance (SDLG) with USAID.

3.6 Japanese Programs in the Local Governance Sector.   Since 1986, JICA has long assisted Bangladesh to promote rural development and strengthen local governance.   The concept of "Link Model" was first developed in the 1990s and has been applied in the two most recent projects: Participatory Rural Development Project (PRDP) during 2000~2004 and its phase II (PRDP 2) during 2005~2010.   The "Link Model" became the conceptual basis for the Union Development Coordination Committee, formalized by LGD in 2011.   In parallel with these efforts, several yen-loan projects have been implemented.   They basically aim at the improvement of rural infrastructure but invariably include one component addressing capacity development of local government personnel.

3.7 Country Assistance Program of Japanese Government for Bangladesh and JICA's Assistance Strategy.   Japanese Government in its "Country Assistance Program for Bangladesh" states that Japan supports in delivering services and improving living conditions in the rural areas and extends its assistance in any sector contributing to strengthening government functions and improving administrative services.   The Project will contribute to the achievement of this policy.   In line with this policy, JICA emphasizes strengthening local governments and improving service delivery in its strategy.   The Project is also highly relevant in view of this strategy.

3.8 Capacity Development for LGI Personnel.   This section reviews five major training institutions working in the fields related to local governance.   They are NILG, RDA, BARD, NAPD and BIM.   It then reviews how capacity development has been carried out by four donor-assisted projects (PRDP2, LGSP, UZGP and UPGP) with assistance from these training institutions.   A comparison among the institutions in terms of training contents and facilities suggests that NILG is best suited as the core training provider for the Project.   Considering the huge volume of training required by the Project, however, this Study recommends that BARD and RDA, among others, should be involved as well.

4   SAMPLE UPAZILA SURVEY

In order to review current conditions of Upazilas, the JICA Study Team conducted "Baseline Questionnaire Survey for Upazila Development."   The purpose of this survey is to collect information and comments from 25 selected Upazilas and to compare them area-wise.   LGD and JICA Bangladesh Office selected the 25 Upazilas ensuring a wide variety of characters represented among them.

The adopted method is simple questionnaire interview survey to various stakeholders in Upazilas.   In addition, Upazila and Union Chairpersons were asked to give detailed information on local governance.

The JICA Study Team subcontracted the survey to Bangladesh Institute of Development Studies (BIDS) through a bidding.   Fieldwork was carried out in September and October 2014.

An outline of the survey results is attached as Appendix 1.   The results show that different stakeholders have different needs for rural infrastructure but rural roads are generally given high priority irrespective of Upazila's locations.

5 PRELIMINARY DESIGN OF THE PROJECT

5.1 Overall Process of the Project.   To achieve its objectives, the Project adopts following features as its basic framework:

- The Project will provide additional funds to Upazila Parishads to implement sub-projects;
- The Project will gradually increase its coverage from 100 Upazilas to all Upazilas in five years;
- The Project will select the recipient Upazilas in two steps: first step with respect to preconditions and second step with respect to performance indicators;
- The Project will introduce performance based allocation to encourage Upazilas to improve their administration;
- The Project will specify both positive and negative lists of sub-projects;
- The Project will provide comprehensive training at the central level and Upazila level;
- The Project will deploy Upazila Development Facilitators (UDFs) to the recipient Upazila Parishads to facilitate project implementation and give on-the-job training to Upazila-level stakeholders;
- The Project will invite all Upazila Parishads (not only selected ones) to participate in the training and give special training to those Upazila Parishads which were disqualified in the initial screening;
- The Project will support audit and performance assessment as a measure to mitigate fiduciary risks.

Four components constitute the Project:

- **Component 1: Upazila Development for Improving Service Delivery** will provide funds to Upazila Parishads.   The recipient Upazila Parishads spend the funds to finance various sub-projects as indicated in the positive list.   Tentatively, the funds will be BDT 3 to 5 million per year.

- **Component 2: Capacity Development and Governance Improvement** will finance training and Upazila Development Facilitators (UDFs) to facilitate improvement of Upazila Parishads' governance as well as LGD's policy reforms regarding Upazila Parishad.

- **Component 3: Project Management Support** will financially and technically assist LGD/PMU to carry out three large-scale activities: baseline survey to be conducted in Year 1, audit of Upazila Parishad Development Fund accounts of the recipient Upazila Parishads (annually), and assessment of governance performance of all 489 Upazila Parishads as part of Upazila selection (annually).

- **Component 4: Consulting Services** will enable PMU to hire international and national consultants who will assist PMU's project operation.

5.2 Target Upazila Selection: Framework.   Limiting the number of recipient Upazila Parishads is justified for two reasons.   One is to encourage them to excel in local governance.   The other is to expand the coverage gradually taking into account weak capacity and limited experiences of LGD and Upazila officials.   The selection will be annually done in two steps.   At the first step, four preconditions will be applied to screen out "not-ready" Upazila Parishads.   The second step will use 16 governance performance indicators and rank all the qualified Upazilas according to their scores.   For the first year, the Upazilas among the top 100 will be selected.   Afterwards the number will be increased by 100 per year.

5.2 Target Upazila Selection: Performance Indicators.   For the first step of selection, four preconditions will be used.   They are: 1) Upazila Parishad meetings; 2) status of 17 Standing Committees; 3) existence of budget and development plans; and 4) status of ADP implementation and reporting in the last three years.   For the second step, 16 indicators in four broad aspects will be used. The four aspects are: 1) institutional capacity; 2) financial management capacity; 3) capacity of development planning and budgeting; and 4) transparency and accountability.

5.4 Performance Based Allocation System.   After a careful review of past projects that adopted Performance Based Allocation System or similar schemes, this section proposes a system for the Project to adopt: for Year 1, all 100 selected Upazilas will receive the same amount (5 million, tentatively); for

Year 2 and after, the amount will be varied according to the scores of performance assessment. Under this system, both "absolute values" of scores and "year-on-year changes" in scores will be taken into account, thus giving some due recognition to those Upazilas which rapidly improved their performance but whose overall scores remain relatively low. If any critical misconduct is detected and confirmed, the Upazila will be banned from application for one round.

5.5 Implementation Mechanism. LGD is the executing agency of the Project. Steering Committee, chaired by Secretary of LGD and represented by related ministries and agencies, shall guide and supervise the implementation of the Project. Inter-Agency Working Group will be formed to provide technical opinions on the Project implementation. Project Management Unit (PMU) will also be set up within LGD and tasked with day-to-day project management and administration. It will be headed by Additional Secretary of LGD as Project Director and assisted by three Deputy Project Directors assigned by LGD. At the field level, Upazila Parishad and Upazila Nirbahi Officer (UNO) shall be jointly responsible for the implementation of sub-projects. Director, Local Government (DLG) and Deputy Director, Local Government (DDLG) will oversee their implementation. The Project will deploy Upazila Development Facilitators (UDFs) to the recipient Upazilas to assist their functions.

5.6 Possible Sub-projects and Their Selection. Component 1 of the Project will support both capital formation and capacity development at the Upazila level. Sub-projects eligible for Component 1 are summarized in the positive list. They are broadly categorized into rural roads, educational and medical facilities, educational and medical equipment, water supply equipment, agriculture, disaster prevention, capacity development and other activities. A negative list is also specified barring sub-projects with significant negative impact on the environment and/or society, sub-projects whose land acquisition has not been completed, sub-projects outside of Upazila's jurisdiction, and such cost items as land acquisition costs, salary and travel expenses, etc. The Project will set following upper and lower cost ceilings on each sub-project.

For capital formation sub-projects (infrastructure):
- Upper limit   BDT 5 million/sub-project
- Lower limit   BDT 1 million/sub-project

For non-capital formation sub-projects (capacity development):
- Upper limit   20% of total amount
- Lower limit   BDT 100,000/sub-project

If a requested sub-project is on the positive list and not on the negative list, the sub-project will be selected basically. If the sub-project is neither on the positive list nor on the negative list, it will be appraised individually. Appropriateness of the sub-project will be judged with respect to a set of criteria. If the sub-project covers any item(s) listed in the negative list, it will be automatically rejected.

5.7 Environmental and Social Considerations. In Bangladesh, projects are classified into four categories according to the expected negative impact on the environment: Green, Orange-A, Orange-B and Red. All projects should apply for an Environmental Clearance Certificate (ECC) before implementation. Furthermore, Orange-A, Orange-B and Red categories must acquire a site clearance certificate before the ECC can be issued. The most common ECC practice conducted in Bangladesh, however, is to apply for one ECC for the entire ADP, prepared by each ministry or organization, and each ADP is regarded as a package of various development projects. ECC application by local governments is rarely done. Since sub-projects to be financed under this Project are small in budget size, no serious environmental or social issues are expected. Nonetheless, their cumulative and compound negative impact may not be negligible and some sub-projects may actually need ECC issuance. Currently, no section or officers are responsible for environmental management at Upazila Parishads. This section proposes a comprehensive training program for officers at Upazila Parishads on ECC application and environmental audit and governance.

5.8 Operational and Maintenance Mechanism. Operation and maintenance (O&M) will become important under this Project considering that many of the sub-projects will be construction of infrastructure. Upazila Parishads need to adopt an effective O&M strategy. As the first step, they need

enhanced capacity to manage and supervise construction works. Laying out a solid O&M plan which covers institutional set-up, financial management, scheduling of maintenance and defining recurrent cost is the next. Creating and managing the inventory of fixed assets, a rare practice in Upazila Parishads, is also an indispensable step. Some more detailed case analysis and discussion are given with two examples: rural roads and water supply and sanitation systems.

5.9 Additional Personnel at Upazila: Upazila Development Facilitator. This section recommends GoB to assign Special Assistant to UNO, selected by UNO from among the officers stationed at Upazila. The Special Assistant to UNO will have double functions: to strengthen Upazila as local government and to manage the implementation of the Project. In the absence of such Assistant, however, this section proposes as a short-term measure to hire Upazila Development Facilitators strictly on a project basis and assist UNOs with project management.

5.10 Terms of Reference for Upazila Development Facilitator. The primary task of the Upazila Development Facilitator is to give support to the Upazila Parishad in charge in performing duties as stipulated in the Act and in project-specific management. The Upazila Development Facilitator, in principle, will be assigned to one Upazila Parishad for maximum two years. He or she will be moved to a new station every two years. It is expected that within these two years main stakeholders at Upazila will get their capacity developed to carry out these duties on their own.

5.11 Required Training. Under this Project, one component is solely devoted to capacity development of officers and others, including those at Upazila level. This section proposes a number of training programs to be conducted under that component both at the central and Upazila levels.

5.12 Fiduciary/Corruption Risk Assessment and Mitigation Measures. Fiduciary risks are considered to be substantial at the Upazila level mainly due to the lack of capacity and knowledge. In this light, several arrangements are embedded in the Project design to mitigate such risks. Some of the "built-in" mechanisms are: minimum project cost for sub-projects, increased predictability of development funds and timely release of funds, prudent audit structure, rigid reporting system, reinforced administrative capacity by deploying UDFs, and disclosure of information.

5.13 Auditing. The Project needs to set up appropriate audit systems to streamline sub-project implementation and strengthen governance at Upazila level. This section recommends an audit mechanism appropriate for this Project. According to it, private audit firms will be employed to conduct financial and performance audit of all recipient Upazila Parishads annually. Scope of the audit will be limited to the Upazila Parishad Development Fund. The auditors will also physically examine infrastructure sub-projects. The audit report will be submitted to LGD, and under LGD's guidance, Project Management Unit will review the report. This audit under the Project will not substitute for the formal audit by the Comptroller and Auditor General Office (C&AG).

6   FEASIBILITY OF THE PROJECT

6.1 Cost Estimation. Using the exchange rates as of January 2015 and based on other assumptions, the JICA Study Team estimates the Project's total cost at JPY 17,217 million or BDT 11,180 million.

Table 6.1   Summary of Project Cost

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
(1)	Component 1: Upazila development for improving service delivery	0	6,003	9,244	6,003
(2)	Component 2: Capacity development and governance improvement	0	835	1,285	835
(3)	Component 3: Project management support	0	213	328	213
Subtotal of Items (1) - (3)		0	7,050	10,857	7,050
(4)	Price Escalation	0	1,533	2,361	1,533
(5)	Physical Contingencies	0	429	661	429
Subtotal of Items (1) - (5)		0	9,012	13,879	9,012

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
(6)	Component 4: Consulting services (including contingency and price escalation)	336	332	846	549
	Subtotal of Items (1) - (6) (Eligible Cost)	336	9,344	14,725	9,562
(7)	Administrative and other costs (including Land acquisition and Taxes)	0	1,615	2,487	1,615
(8)	Interest during construction period	4	0	4	3
(9)	Front-end fee	0	0	0	0
	Subtotal of Items (7) - (9) (Non-eligible Cost)	4	1,615	2,492	1,618
	Grand Total	340	10,959	17,217	11,180

6.2 Consulting Services.   PMU is supposed to employ four international consultants and eight national consultants over 60 months.   The objective of the consulting services is to achieve the efficient and proper preparation and implementation of the Project.   The consultants as a team will assist PMU to carry out various managerial and administrative works needed for the project implementation, including financial management, personnel management, training development and implementation, ensuring environmental and social considerations, and procurement of various services and equipment.

6.3 Equipment.   The equipment procured by the Project is divided into three categories according to its objectives, namely (i) for UDFs activities, (ii) for office set-up and activities of PMU, and (iii) for consulting services.

6.4 Procurement.   Procurement is necessary in Component 1 (by Upazila Parishads), Component 2 (by PMU), Component 3 (by PMU) and Component 4 (by PMU).   The procurement method is principally based on "Public Procurement Act 2006 (PPA)" and "Public Procurement Rule 2008 (PPR)," prepared by the Central Procurement Technical Unit (CPTU), Ministry of Planning.   Detailed rules and procedures to be followed by procuring entities, namely LGD, PMU, and recipient Upazilas, are written in PPR.   In addition, the process of procurement conducted by Upazilas is monitored and evaluated by PMU as part of annual performance assessment.

6.5 Cost Comparison with Other Projects.   Project costs as well as procuring methods are compared among three donor-assisted projects: the Project, LGSP II and UZGP.   Total project costs are USD144.7 million, 545.4 million, and 19.3 million, respectively.   Procurement methods employed are different.   A marked difference is also observed in consulting services.

6.6 Operational and Effects Indicators.   JICA requests the executing agency of Japanese yen loan to prepare operational and effects indicators to facilitate the monitoring and evaluation of the project.   An "operational indicator" is an index that measures the operation status of the Project quantitatively.   An "effects indicator" is an index for quantitatively measuring the effects caused by the project.   This section proposes a framework of operational and effects indicators for this Project.

7   RECOMMENDATIONS

7.1 Policy Recommendations on Local Governance.   LGD is recommended to take 15 reform actions in next five years to address pertinent issues in order to remove obstacles and provide a sound environment for Upazila Parishads.   The recommendations concern in four governance areas: Institutional Arrangement, Human Resource and Capacity Development, Financial Management, and Accountability and Transparency.   In parallel with this effort, Upazila Parishads themselves need to undertake a series of governance and financial improvement actions in order to realize efficient and effective development-related activities and service delivery.   A total of 52 items are identified in four broad categories: Administration and Operation, Finance, Capacity Development, and Accountability and Transparency.

7.2 Special Assistance for Project Implementation (SAPI).   JICA and LGD agreed to utilize a scheme called Special Assistance for Project Implementation (SAPI), which is to prepare for the loan operation by PMU and to facilitate the startup of the Project.   Its duration will be from May 2015 to March 2016 (11

months).   The SAPI project's outputs will be necessary documents and formats, performance assessment of all 489 Upazila Parishads, recruitment and training of 100 UDFs as the first batch, and orientation and initial training for local stakeholders.   JICA will dispatch six experts to carry out the tasks.

CHAPTER 1   OUTLINE OF THE STUDY

1.1.   Background

Bangladesh has achieved a rapid economic growth in recent years (6~7% per year) owing partly to trade expansion led by the garment industry.   Accordingly, poverty incidence has gradually decreased.   The World Bank announced in June 2013 that the number of people living in poverty was reduced from 63 million in 2000 to 47 million in 2010.   According to the Household Income and Expenditure Survey in 2010 by Bangladesh Bureau of Statistics, the same trend can be observed.[1]   In 2005, 40.0% of total population was "poor" under the upper poverty line.[2]   The rate came down to 31.5% in 2010. However, a significant disparity exists between rural and urban areas.   In 2005, the rate was 43.8% in rural areas and 28.4% in urban areas.   Both decreased in five years and in 2010 they were 35.2% and 21.3%, respectively.   Thus, despite the very positive progress, a large population remains poor particularly in rural areas.   It is therefore a national imperative to develop rural areas, where poverty is still prevalent.

Local government institutions are supposed to lead this effort.   However, because of the highly centralized management system,[3] local government institutions cannot fully satisfy its mandate yet. Even though the country has been trying to transform its centralized system, its decentralization effort is still in the middle of the way.

The Sixth Five-Year Plan (2011/12-2015/16) states that its main objective is to reduce and ultimately eradicate poverty.   It specifies two paths to achieve it: one is by accelerating economic growth and the second by ensuring distributive justice.   The Plan at the same time recognizes that "good policies and strategies alone will not be sufficient to attain the Plan targets."   It particularly emphasizes the need to strengthen public administration capacity both institutionally and financially.   It also indicates that focus should be on service quality so that better services should be provided to the citizens.

Bangladesh has a three-layer local government system: District, Upazila (Sub-district) and Union.[4]   At Union, the lowest tier of local government, only one civil servant is posted to take care of various official duties whereas allocated budget is not sufficient to meet all local needs.   At Upazila, another important local government institution with an appropriate size for planning and development interventions,[5] its institutional basis has been consolidated in recent years: the Upazila Parishad Act was enacted in 1998; elections of Upazila Parishad were properly carried out in 2009 and 2014; the Annual Development Program (ADP) has been gradually enhanced for Upazila.   Compared with Union, however, the process of decentralization and governance improvement at the Upazila level still has many challenges.   At the same time, linkage between Union Parishad and Upazila Parishad remains weak particularly in development coordination.[6]

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[1]   Bangladesh Bureau of Statistics, 2011, *Report of the Household Income and Expenditure Survey 2010.*
[2]   The upper poverty line was defined as per-capita monthly expenditure in taka for each of 16 geographical areas delineated for the Survey.   The range of the figures is from 1311 to 2038 (*ibid*, Table A1, p. 185).
[3]   The appointment of Director, Local Government (DLG), Deputy Director, Local Government (DDLG) and Upazila Nirbahi Officer (UNO) at Division, District and Upazila, respectively, symbolizes the highly centralized nature of the Bangladeshi system of local governance.   These officers are appointed by the central government to oversee and manage various affairs of the respective levels of local government.
[4]   Official terms are Upazila Parishad and Union Parishad.   Parishad in Bengali means "council."   Upazila Parishad and Union Parishad have a dual identity: a local assembly and a local executive or administrative office.   Throughout this report, the terms "Upazila" and "Union" are also used to mean the latter identity, that is, the local executive or administrative office.   They can also indicate Upazila Parishad and Union Parishad as local administration units.
[5]   On average, Upazila has a 200,000 to 300,000 population.   This population size is not too large from the viewpoint of popular participation and not too small from the viewpoint of governance and development administration.
[6]   One indication of the weak coordination between Union Parishad and Upazila Parishad is the fact that DDLG of District directly coordinates not only Upazilas in the District but also Unions under them.   That means, Upazilas' coordination with Unions is at best nominal.   Lack of effective coordination of Unions by Upazila typically results in the uniform allocation of ADP budget among the Unions, a very common practice by Upazila Parishad.

Considering the above-mentioned situation of local governance at Union and Upazila levels, it is necessary to initiate a comprehensive and integrated project to strengthen local governance focusing particularly on Upazila as a pivotal institution to realize decentralized and effective service delivery to local communities throughout the country.

The Upazila Governance and Development Project (the Project) is thus proposed to support Bangladesh's comprehensive decentralization measures that strengthen Upazila as a pivotal local government institution, promote need-based rural infrastructure development by Upazila Parishad and ensure closer linkage between Upazila and Union as well as between local government institutions and line departments (Nation Building Departments: NBDs) to provide better service delivery to the local communities.

1.2. Study Objective

This Study is feasibility study on the proposed Upazila Governance and Development Project. Its main objective is to collect and provide data and information necessary for JICA to assess the suitability and acceptability of the Project to be financed as a yen-loan project. The Study has covered a wide scope of subjects such as:

- Basic information on Bangladesh's socio-economic conditions, local governance, public finance, etc.;

- Other projects in the field of local governance supported by development partners such as Local Governance Support Project Phase 2 (LGSP2), Upazila Governance Project (UZGP) and Union Parishad Governance Project (UPGP);

- Priority sub-sectors of rural infrastructure;

- Administrative structure for Project implementation;

- Administrative structure for Project maintenance;

- Environmental and social considerations;

- Project costs estimation;

- Time schedule for Project implementation;

- Consulting services required; and

- Procurement design.

In carrying out the Study, the Study Team is required to pay special attention to four issues:

1) Linkage between the proposed Upazila Governance and Development Project and Local Governance Support Project Phase 2 (LGSP2) implemented by LGD with support from the World Bank;

2) Maximum utilization of Union Development Coordination Committee (UDCC) as a mechanism to enhance people's participation;

3) Provision and institutionalization of an Upazila-level LGD officer/facilitator who is responsible for local government issues during and after the Project; and

4) Basic Block Grant and Performance-Based Block Grant for fund allocation.

1.3. Study Area

This Study covers the whole area of Bangladesh. To collect first-hand information, it selected 25 sample Upazilas nationwide as targets of a separate field survey.

1.4. Time Frame

This Study is to be carried out from July 25, 2014, through March 13, 2015.   During this period, JICA has dispatched three missions to assess the suitability and feasibility of the Project:

Inception Mission   August 9~15, 2014

Fact Finding Mission   September 23~October 3, 2014

Appraisal Mission   November 7~21, 2014

Figure 1.4.1below shows a rough timetable of the Study.
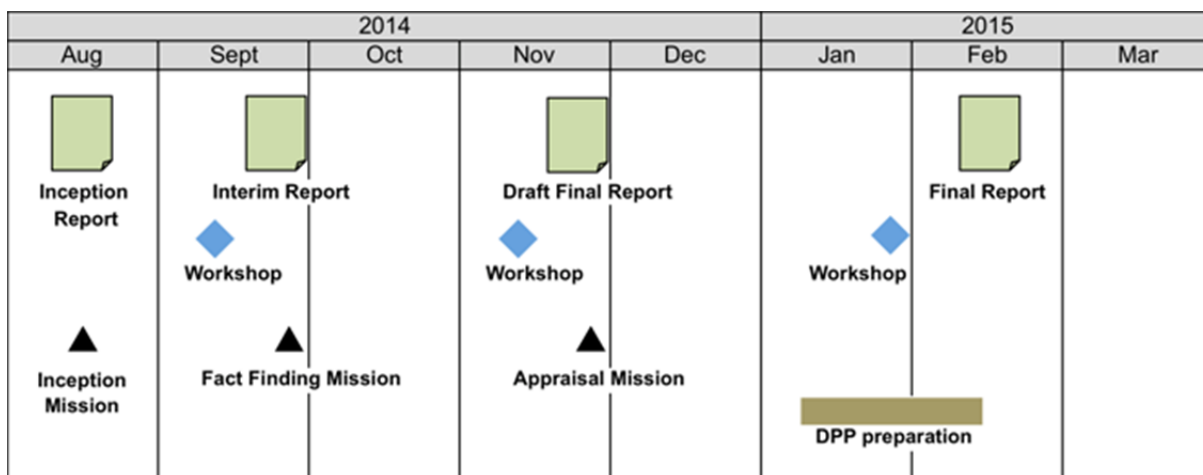
Figure 1.4.1   Study Timetable

CHAPTER 2 OUTLINE OF THE PROJECT

2.1. Background

As described in Section 1.1 above, it is necessary to initiate a comprehensive and integrated project to strengthen local governance focusing particularly on Upazila as a pivotal institution to realize decentralized and effective service delivery to local communities throughout the country.

The Upazila Governance and Development Project (the Project) is thus proposed targeting all Upazila Parishads of Bangladesh to strengthen them as an important local government institution (LGI) situated between District and Union Parishad. The Project will promote needs-based rural infrastructure development by Upazila Parishad and ensure closer linkage between Upazila and Union as well as between local government institutions and line departments (Nation Building Departments: NBDs) to provide better service delivery to the local communities. The Project will also provide capacity development measures at various levels to strengthen stakeholders' capacity to carry out their duties.

2.2. Objectives

The Project has following objectives:

1) To enhance Upazila ADP by providing a yen-loan to expand the expenditure by local government institutions (LGIs) toward proper public service delivery and infrastructure development led by Upazila Parishad and Union Parishad/Union Development Coordination Committee (UDCC);

2) To improve mutual accountability between LGIs and NBDs both at Upazila and Union levels, and to facilitate synergy effects of their cooperation for better public service delivery;

3) To improve transparency of Upazila Parishad, Union Parishad and NBDs to local communities through UDCC and other good governance measures;

4) To strengthen the capacity of LGIs' and NBDs' staff and their collaboration mechanism; and

5) To facilitate an appropriate decentralization process.

2.3. Coverage

The Project is planned to cover all Upazila Parishad of Bangladesh.

2.4. Duration

According to the plan, the Project will continue for six years starting in 2015.

2.5. Components

To achieve the objectives above, the Project consists of following components:

Component 1: *Upazila* Development for Improving Service Delivery

Component 2: Capacity Development and Governance Improvement

> Subcomponent 2.1: Capacity Development
> Subcomponent 2.2: *Upazila* Governance Improvement Action Program (at *Upazila* level)
> Subcomponent 2.3: *Upazila Parishad* Sector Reform (by LGD)

Component 3: Project Management Support

> Subcomponent 3.1: Baseline Survey and Engineering Support
> Subcomponent 3.2: Audit Support
> Subcomponent 3.3: Governance Performance Assessment Support

Component 4: Consulting Services

2.6.   Institutional Set-Up

The implementation set-up for the Project is proposed as:

Implementing Agency: Local Government Division (LGD), Ministry of Local Government, Rural Development and Cooperatives

Partner Institutions: NILG (National Institute of Local Government), NAPD (National Academy for Planning and Development), BIM (Bangladesh Institute of Management), BARD (Bangladesh Academy for Rural Development), and RDA (Rural Development Academy).

Direct Beneficiaries: All Upazila Parishad

2.7.   Proposed Mechanism

Sub-projects: With these additional funds available, the Upazilas are supposed to spend them on various sub-projects such as rural infrastructure (roads, culverts, drinking water supply schemes, etc.), service facilities (schools, hospitals, clinics, markets, office complex, etc.), and capacity development (training, environmental study, etc.).   Both positive and negative lists will be developed and applied.

Strategic projects: In identifying the sub-projects, one condition is particularly important from the Project's standpoint: They must be "strategic projects" for the Upazila's development.   In other words, those sub-projects to be financed under the Project should be selected as those with strategic importance to that Upazila, either benefiting the Upazila as a whole or being invested to derive long-term values.

Five-Year Development Plan as a requirement: In view of this, Upazila's Five-Year Development Plan is the key requirement.   Whether one sub-project is strategic or not can only be judged with reference to the long-term plan.

Standing Committees as another requirement: Also required is a careful and serious deliberation by Upazila Parishad on the selection of sub-projects.   Since project ideas should first go through respective Standing Committees, functional Standing Committees are another requirement.

Figure 2.7.1 below depicts a schematic mechanism of the Project.   As is shown, Upazila is a layer of local government located between District and Union.   It coordinates and oversees development activities in Unions while reporting upward to District about its overall development situation.   One of the Upazila's main functions is to carry out development projects using the development funds (Upazila Development Fund: UZDF) made available as the Annual Development Program (ADP).   This budget should be allocated to projects as identified and prioritized in the Upazila's Five-Year Plan.   Such projects are those with strategic value to the Upazila, addressing needs of the whole Upazila or its long-term needs.   Those projects will be first proposed by the Standing Committees (based mainly on the recommendations by Upazila Parishad members) and then selected in an Upazila Parishad meeting. Those selected projects are to be implemented either by NBDs or by a special committee set up for that purpose.   This Project will augment the budget to be spent on the Upazila projects.   The sub-projects to be financed by the Project will have to undergo the same process as described above.   In this way, it is expected that the Upazila Parishad will become capable of formulating and implementing development projects from the strategic viewpoints of its long-term plan.
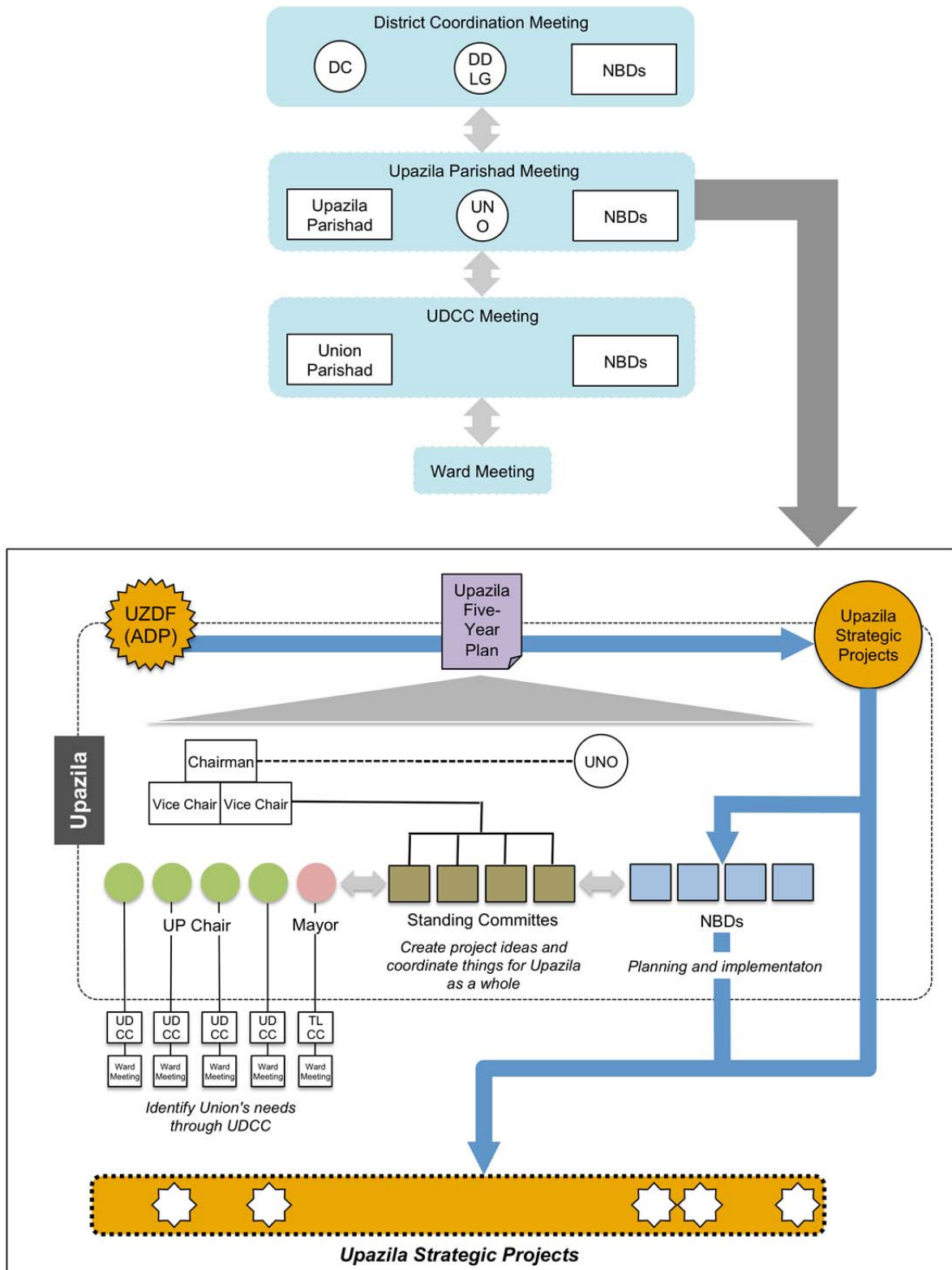
Figure 2.7.1   Project Mechanism

CHAPTER 3   REVIEW AND ANALYSIS OF CURRENT SITUATION

3.1.   Bangladesh's Policy on Local Governance

3.1.1.   Perspective Plan of Bangladesh 2010-2021: Making Vision 2021 a Reality

"Perspective Plan of Bangladesh 2010-2021" was created in 2011 by the Bangladesh Government to envisage the nation's development goals toward the year commemorating the 50th anniversary of Bangladesh's independence.   In this plan, Governance is mentioned as the very first topic among the various priority areas, and Local Governance is given considerable importance as part of changes to the political system in Bangladesh.   It recognizes the critical roles of Local Government Institutions (LGIs) for good governance and rural development, and envisions devolution of power, functions, and fiscal authority to local government institutions over the long term.

3.1.2.   The Sixth Five-Year Plan

"The Sixth Five Year Plan (FY2011/12 through 2015/16)" is currently in operation as the nation's mid-term development plan.   The Plan identifies strengthening local government as one of the priority areas for improving governance: "Effective local government institutions will foster public participation and transparency on the ground, which contributes to delivering better public services and achieving national goals."   For strengthening public administration capacity, the Plan indicates the following main components of the strategy for promoting devolution to local government:

-   Enhancing the legal framework at all local government levels (Union, Pourashava, City Corporation, and Upazila levels) through establishing clear service responsibilities, ensuring devolution of administrative control, providing a greater discretionary financial base including robust local revenues and a transparent and predictable intergovernmental fiscal transfers system, and provision of staffing at the local level.

-   Improving transparency and accountability of local governments by establishing indicators and standards for measuring performance, strengthening financial and service delivery audits, and investigating corruption, and making the reports available to public.

-   Building the capacity of local governments through assignment of proper officials, technical assistance and training programs.

-   Developing planning and budgeting capacities to help design and implement local-level programs.

-   Expanding the role of citizen committees and participation of citizens in prioritizing, implementing and monitoring of development programs, etc.

-   Establishing e-governance at the local level through a well-designed program of ICT hardware and software, technical assistance and training programs.

For the local governance sector, the Ministry of Local Government, Rural Development and Cooperatives coordinates with other sectoral ministries in implementing the components specified in the Sixth Five-Year Plan.

3.1.3.   Local Government Laws and Regulations

LGIs of Bangladesh have been established at different levels at different times.   Accordingly, many laws and ordinances for each unit have been enacted and abolished since even before national independence.   Currently, Bangladesh has a three-layer local government system in the rural area: There are Union Parishads as the lowest level of the local government in the rural area, having Upazila Parishads as the middle level and District Parishads on top, as shown in Figure 3.1.1.   Basic laws to define these LGIs are the Zila Parishad Act, Upazila Parishad Act and Union Parishad Act.   Details of the Upazila Parishad and Union Parishad are discussed in the following sections.
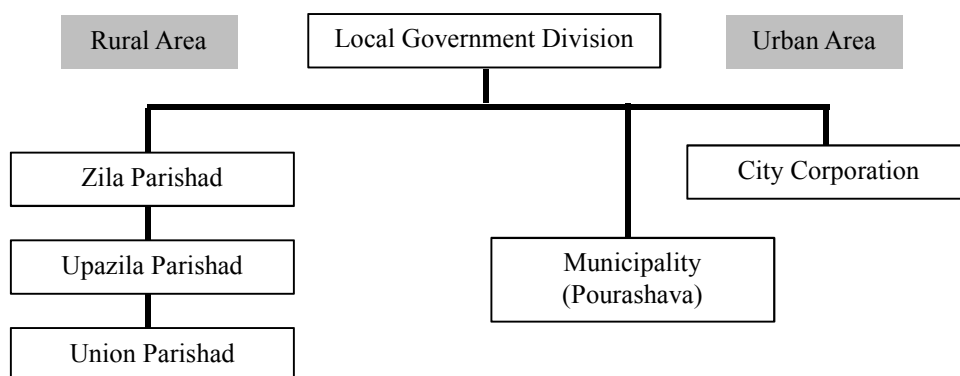
Source: JICA Study Team based on the LGD's presentation material

Figure 3.1.1   Local Government Institutions in Bangladesh

3.1.4.   Upazila Parishad Act

The basic law to define the Upazila Parishad in Bangladesh is the "Upazila Parishad Act."   The Upazila Parishad Act stipulates the constitutions, roles, responsibilities and powers of Upazila Parishads, including member composition, election of Parishad Chairperson and Vice Chairpersons and members, administrative and financial management, decision-making process, human resources and others.   The foundation of the current Act was stipulated in 1998 and amended in 2009 and 2011.[7]

In the most recent amendment of 2011, 23 clauses were amended.   One of the major changes is the status of the officers from line ministries/departments called the Nation Building Departments (NBDs).   In the amendment, the wording that indicates status of NBDs was changed from "transferable" to "transferred" to the Upazila, which means that they now officially work under the authority of the Upazila Parishad Chairperson, although this has yet to become a reality.   In addition, four NBD officers were newly added,[8] bringing the total number of NBDs to 17.   The number of Standing Committees was also increased from 14 to 17.   Another change made under the amendments was that the role of the Upazila Nirbahi Officer (UNO) was clarified as being the Chief Executive Officer in each Upazila Parishad.   It states that the UNO implements the decisions of the Parishad, providing secretariat services and maintaining financial discipline and other functions.   The power structure of the Upazila Parishad and Upazila Government become clearer as a result of these amendments, although the reality on the ground is more complex.

3.1.5.   Upazila Parishad Manual

The Upazila Parishad Manual was published, with the assistance from the Development Partners, by the Local Government Division in 2010, and revised in 2013.   It compiles Upazila-related acts, rules, and circulars that are in effect, and provides the legal framework for the constitutions and management of the Upazila Parishads.

Before the manual was originally created in 2010, these legal documents were not brought together or referred to by the Upazilas, which prevented them from properly functioning as a local government body.   After the manual was compiled, published and distributed to all Upazila Parishads, Parishad members and Upazila-level officers started to frequently refer to the manual and have become mindful of the manual in conducting Upazila operations.   The contents of the manual are shown in Table 3.1.1.

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[7]   It is reported that the latest amendment was made incorporating lessons gained through the Upazila Governance Project (UZGP) being supported by UNDP.

[8]   Namely a Rural Development Officer under the Rural Development Board and a Cooperative Officer under the Cooperative Department from the Ministry of Local Government, Rural Development and Cooperatives, a Secondary Education Officer from the Ministry of Education, and an Officer from the Ministry of Environment and Forests.

Table 3.1.1   Contents of the Upazila Parishad Manual

Acts	
	Upazila Parishad Act 1998 (amended in 2009)
	Amendment of Upazila Parishad Act (2011)
Rules	
	Upazila Parishad (Activities Implementation) Rules, 2010
	Upazila Parishad (Activities Implementation Rules, 2010 (Amended)
	Upazila Parishad Chairman and Vice-Chairman (Duties, Responsibilities and Financial Benefit Rules, 2010)
	Upazila Parishad Chairman and Vice-Chairman (Duties, Responsibilities and Financial Benefit), Rues, 2010 (Amended)
	Upazila Parishad Budget (Preparation and Approval) Rules, 2010
	Upazila Parishad (Contract Agreement), Rules 2010
	Upazila Parishad (Property Transfer, Maintenance and Management) Rules, 2010
	Upazila Parishad Employee (Service) Rules, 2010
Charter of Duties	
	Charter of Duties of Various National Building Officers Handed Over to Upazila Parishads
	Charter of Duties of National Building Officers Related to the Ministry of Education, Ministry of Environment and Forestry, Rural Development and Cooperation Division Handed Over to Upazila Parishads
	Upazila Parishad Revenue Fund Utilization Guidelines
	Upazila Parishad Development Fund Utilization Guidelines
	Haat-Bazaar Management, Lease Process, and Distribution Policy of those Income, 2011
Memorandums	
	Changes in Upazila Parishad (Chairperson, Vice Chairperson, Members' and Female Members' Leave) Rules (2010): Staying at Duty Station
	Upazila Parishad's Care and Fuel Management
	Temperature Reader Equipment in the Upazila Parishad Structure (T.O. and E)
	Mitigation of Upazila Parishad's Audit Objections
	Autism and Neuro-development Disabilities Issues to be Included in the Health and Family Welfare Committee Agenda
	Continuation of the Job as NGO Staff Who Have Been Selected for Upazila Chairperson and Vice Chairperson
	Submission of the Annual Performance Report (APR) by the Transferred NBD Officers
	Upazila Parishad Meeting Notice and All Other Letters
	Ministry of Home Affairs Decision Notice on Terrorism
	Instruction to Follow the Upazila Parishad's Development Fund and ADP Utilization Guidelines
	Clearance for Upazila Temporary Staff Employment
	Updated Organization Structure and Functions of Upazila Parishads
	Instructions Regarding Building Code
	Upazila Car Moving Outside of the District
	Vice Chairman Engaged with Non-Governmental Schools and Institutions
	Instruction for Providing Disable-friendly Sanitation Facilities
	Proper Utilization of Rules by Upazila Subsections
	Upazila Chairperson Engaged in Ashrayan Project
	Unused Land for Various Productive Activities
	Upazila Chairperson (female)'s Room
	Clarification on Handed-Over Activities to Upazila Parishads
	Various Benefits for Upazila Chairperson
	Regarding Upazila Parishad Act 1998 (revised in 2009) and Various Circulars, Rules Initiated by the Local Government Division to be Followed
	Jurisdiction of Chairperson, Members and UNO
	Internet Connection at Upazila Parishads
	Vehicle Maintenance
	Computer with Printer Installation for Upazilas
Circulars	
	Modification on ADP-Related Project Screening, Preparation and Approval
	Modification on Upazila Revenue Fund Utilization Guidelines (August 2012)

	Modification on Upazila Revenue Fund Utilization Guidelines (June 2012)
	Changes in Upazila Parishad (Chairperson, Vice Chairperson, Members' and Female Members' Leave) Rules (2010): Staying Abroad
	Modification on Upazila Development Fund Utilization Guidelines (2012)
	2 % Land Development Tax to be Transferred to Upazila Accounts
	Inclusion of Upazila Chairperson as a Member of District Development Coordination Committee
	Upazila Car and Fuel Supply
	Upazila Car Management
	Tree Selling under Upazila Parishad
	Sub-committee for Unused Vehicles Under LGD
	Upazila Condemnation Committee
	Construction of Upazila Complex Boundary
	Daily Allowance and Travel Allowance for Chairpersons and Vice Chairpersons
	Staff (Gardener/Supplier) Employment at Upazila Parishad Utilizing Revenue Fund
Laws and Circulars from Other Ministries	
	Rural Infrastructure Construction and Repair (FFW-Food Grains/Cash) Programme Guidelines 2012-13, Ministry of Food and Disaster Management, 2012
	Rural Infrastructure Maintenance (TR-Food Grains/Cash) Programme Guidelines 2012-13, Ministry of Food and Disaster Management, 2012
	Amendment of Humanitarian Assistance Programme Implementation Guideline 2012-2013, Ministry of Food and Disaster Management, Oct. 2012
	Humanitarian Assistance Programme Implementation Guideline 2012-2013, Ministry of Food and Disaster Management, July 2012
	Reorganization of the Upazila Disaster Management Committee (Circular), Ministry of Food and Disaster Management, 2011
	Internal Food-grain Procurement Policy 2010, Ministry of Food and Disaster Management
	Partial Amendment of VGF Circular 2009. Ministry of Food and Disaster Management, 2009
	VGF Circular 2009. Ministry of Food and Disaster Management, 2009
	Amendment of Government Water-resources Management Policy 2009, Ministry of Land, 2012
	Government Policy for Water Resources Management 2009, Ministry of Land, 2009

Source: Upazila Parishad Manual, 2013, modified by the JICA Study Team.

There are only several Upazila operational rules stipulated and compiled in the manual. According to article 63 (2) of the Upazila Parishad Act 1998 (amended in 2011), several more rules are yet to be finalized by the government. These rules include: maintenance and publications of records and documents, control and investment; accounts auditing; preparation, consolidation and implementation of the development plan; code of conduct for Parishad staff; tax-related issues; and modalities of appeal against orders given by Parishads.

3.1.6.   Union Parishad Act

Unlike Upazila Parishads, Union Parishads were created during the era of British rule, and have since then continuously functioned as the basic unit of the local administrative body. The basis of the current law "Union Parishad Act," which defines Union Parishads, was promulgated in 1983 and amended several times since then. The last amendment was made and came into effect in 2009. Like the Upazila Parishad Act, it determines Union Parishads' constitution, composition, elections, powers, functions, funding, financial management, and other matters. In addition, it determines the constitution and function of Wards, which are the lower-level units under the Union used for defining constituencies to elect the Union Parishad Members.

3.1.7.   Relationship and Issues between Union and Upazila Parishad, Based on the Acts

(1)   Composition of Parishad Members

The Upazila Parishad has organic relationship with the Union Parishads in terms of the member composition. As mentioned in the previous section, the members of the Upazila Parishad are, except for the Chairperson and Vice Chairpersons, comprised of the chairpersons of the Union Parishads and

the mayors of the Pourashavas (if any) within the Upazila jurisdiction. In that sense, the majority of the members of the Upazila Parishad are representatives from the Unions, which could have great effect on decisions of the Upazila Parishad. It is considered, in general, that those representatives may tend not to give due consideration to the welfare of the Upazila as a whole, but rather may seek to benefit only their respective Unions. Therefore, with this decision-making member composition, there are limitations regarding its ability to make fair decisions for overall Upazila development or resource allocations.

(2)   Functions

There are 39 functions for the Union Parishads and 21 for the Upazila Parishads determined in the Acts. Table 3.1.2 summarizes Union and Upazila Parishads sector-wise functions.

Table 3.1.2   Sectors and Functions of Union and Upazila Parishads

Sector	Union Functions*	Upazila Functions**
Administration and Finance	①Preparation of the Five Year Plan ⑦Assessment and recovering of tax, fee, toll, levy, etc. ⑫Registration of birth and death ㊲Promotion of e-governance ㊳Extend cooperation with other organizations ㊴Other tasks directed by the government	①Preparation of the Five Year Plan ②Coordination and supervision of Officers from NBDs ⑭Coordinate, support and monitor Union Parishad development activities ⑲Extend cooperation with other organizations ⑳Promotion of e-governance ㉑Other tasks directed by the government
Law and Order	⑪Maintaining law and order by undertaking necessary measures ⑰Prohibition of unauthorized admission to public streets, highways and public places and abatement of nuisances ⑱Protection of public streets, highways ㉚Taking measures to prevent fire, flood, hailstorm, earthquake or other natural disasters and to support government ㊱Undertaking measures and facilities for the security of Union inhabitants	⑫Discussions with police department and submission of reports on law and order in Upazila ⑯Raise awareness and take preventive actions against terrorism, crime, drug abuse ⑱Coordination of disaster management activities
Infrastructure Development	②Development, protection and maintenance of rural infrastructure ⑭Lighting the Union Parishad roads and public places ⑯Operation and maintenance of burial grounds, burning places, public meeting places and other Government property ㉒Regulation of housing, building construction, and dangerous building structures	③Construction and maintenance of inter-Union roads ④Implementation of small-scale water resources projects
Rural Development	㉜Development and encouragement of cooperative movement and rural crafts	⑨Support and coordination of the activities of cooperative societies and NGOs
Agriculture	⑤Agriculture, fishery and livestock and other economic development ㉝Undertake measures for additional food production	⑪Undertake activities to improve agriculture, livestock, fisheries and forestry
Education	③Related with education, primary and mass education	⑦(a)Raise awareness of the importance of education ⑦(b)Supervision of activities and institutions with a view to improve secondary education and madrasa education curriculum
Health	④Implementation of activities relating to health and family planning ⑥Undertake necessary measures for epidemic	⑤Provision of public health, nutrition and family planning services

	control and disaster management	
	㉟Provision of first-aid centers	
Water Supply and Sanitation	⑲Collection, removal and management of dung and garbage	⑥Improvement of sanitation and sewerage system, supply of safe drinking water
	㉓Management and maintenance of wells, water pumps, tanks, ponds and other sources of water supply	
	㉔Preventing the contamination of sources of water-supply for drinking and prohibition of the use of water of wells, ponds or other sources dangerous to public health	
	㉕Prohibition and regulation of bathing, washing of clothes and watering of animals at or near wells for drinking water, ponds or other sources of water-supply	
	㉖Prohibition and regulation on the steeping of hemp, jute or other trees in or near to ponds or other sources of water-supply	
	㉗Prohibition and regulation of dying or tanning	
Culture, Youth and Sports	⑨Assistance in games and sports, social development, cultural activities, etc.	⑩Implement the activities for women, children, social welfare and youth, sports and culture
	⑬Maintenance of public places, open spaces, gardens and play grounds	
Social Welfare	⑧Actions for resolution of family conflicts, and women and child welfare	⑬Creation of self-employment to reduce poverty
	㉛Registration and support of widows, orphans, poor and destitute	⑮Raise awareness against offences over woman and child abuse
Environment and Forestry	⑩Environmental development and conservation	⑰Undertake social forestry programs for environment conservation and improvement
	⑮Tree plantation and protection of trees	
	㉘Regulation on excavation of earth, stones or other materials in residential areas	
	㉙Regulation on establishment of brick and other kilns and pottery facilities in residential areas	
Commerce and Trade	⑳Regulation on offensive and unsafe trades	⑧Implementation of activities to establish and promote small and cottage industries

Source: * Union Parishad Act 2009, **LGD Memo No. 46.046.026.00.00.002(1)-1999-600, Dec.24, 2011[9]

The functions entrusted to the Upazila Parishads are mainly planning, promotion, coordination among related groups and inter-Union development programs in primary and secondary education, health and family welfare, water and sanitation, and various rural infrastructure programs.   On the other hand, the functions of the Union Parishads identified in the Union Parishad Act are directly related to the day-to-day lives of the citizens, including taking care of civil registrations, providing services for sanitation, education, health, and family welfare and setting regulations, etc., in their jurisdictions. However, some overlap is observed between the functions of the two institutions.   For example, both institutions are responsible for health, sanitation and water supply activities.   It is not clear, from the Union Parishad Act or other regulations, what the demarcations in roles of the two institutions are.   In practice, there should be a clear division of their respective mandates at the field level, in order for them to efficiently function.

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[9]   The Upazila Parishad Act 1998 (amended in 2011) stipulates 18 functions of Upazila Parishad in the Second Schedule. However, the memo states 21 functions, adding coordinating activities for disaster management, promoting e-governance, and coordination with other organizations.

(3)   Resources: Taxes and Fees

The taxes and fees that Union and Upazila Parishads are subject to collect are determined by the Upazila and Union Parishad Acts, and these are summarized in Table 3.1.3 below.   There are more than eight overlapping categories of resources identified, which both Union and Upazila Parishads can mobilize in their respective territories.   In the Union Parishad Model Tax Schedule Rules, published in 2012, Union Parishads' taxable items and their model amounts are indicated, which made Union resource mobilization much easier.   However, this does not seem to be widely recognized or utilized by the Unions yet.   In addition, Upazilas do not have regulations to refer to; the "Upazila Parishad Revenue Fund Utilization Guidelines" only states utilization of the fund but not collection aspect, and the "Upazila Parishad Model Tax Schedule" has not yet been prepared by the government.   Without addressing these issues, the problem of overlapping jurisdictions may prevail in the future, which would prevent Upazila Parishads from functioning and providing better services to the communities.

Table 3.1.3   Financial Resources of Union/Upazila Determined by the Acts

Financial Resources	Union Parishad*	Upazila Parishad**
Tax from homestead/land (annual)	●	
Fees for approval of building plans	●	
Tax on professions, trades and businesses	●	●
Tax on entertainments, including cinema halls	●	●
Fees on licenses and permits Union/Upazila imposes	●	●
Fees or leases from haats, bazaar, ferry terminals	●	●
Fees from transferred water bodies	●	●
Fees from stone and sand	●	
Part of immovable property transfer tax	●	●
Fees from marriage registration	●	
Part of land development tax	●	●
Tax on advertisement	●	
Tax on street lighting		●
Fees on fairs, trade shows, and exhibitions by the private sector		●
Other taxes or fees prescribed by the Government	●	●

Note: Resource items are cited from the Acts.   In practice, taxable items may be differentiated between Union Parishad and Upazila Parishad.

Source: *The Fourth Schedule, Union Parishad Act, 2009
            **The Fourth Schedule, Upazila Parishad Act 1998, amended in 2011

(4)   Issues Perceived between the Union Parishad and Upazila Parishad Acts

This study has found that there is incompatibility between the Union Parishad Act and the Upazila Parishad Act.   Overlap in both functions and revenues across Union and Upazila Parishads is one of these issues.   This may be something to do with the historical transition of the local government system in Bangladesh.   The Upazila Parishads were repeatedly set up and abolished in the past, which may have affected the timing of the revision of the two Acts.   As mentioned earlier, the Upazila Parishad Act was amended in 2011 and some changes were made in order to devolve more authority to the local government institutions.   In contrast, the Union Parishad Act has not been revised since 2009, which thus generates some incongruity between these two Acts.   This results in some confusion and conflict for both the Union and Upazila Parishads.

Another problem related to this aspect is that rules and regulations based on the Acts were not yet fully developed by the government, for Upazila Parishads in particular; and therefore, the Parishads lack clear authority in order to function well.   Jurisdictions and regulations should be clearly identified and delineated in order to be implementable under the Acts.

Another important issue to be noted is in regard to the linkages in planning and budget preparation between the Union Parishad and Upazila Parishad.   In the respective Acts, both LGIs are required to

prepare five-year plans, along with annual development and budget plans. Although the Upazila Parishads are supposed to oversee all of the Unions' development programs and budget as well as to prepare plans and budget for inter-Union development programs under their jurisdiction, no clear mechanism is elaborated in the Acts for coordination or linkage between preparation of the Union and Upazila plans and budgets. In order for both LGIs to properly function and deliver better services, coordination and linkage mechanisms for planning and budgeting coordination between the two LGIs is crucial. This aspect should be considered and stipulated in the Acts or in other appropriate regulations.

For an improved local government system, it appears to be an opportune time for the Bangladesh Government to prepare a full set of rules and regulations based on the revised Acts for all LGIs, incorporating all the changes made over recent years, taking into account the inter-linkages among the LGIs.

In addition to the issues mentioned above, there are other issues observed and discussed regarding the legal framework of the Union and Upazila Parishads. These issues include:

1) Devolution of authority to LGIs is insufficient;

2) Disparity exists between the responsibilities given by the Act and the reality on the ground, due to lack of capacity in LGIs; and

3) Frequent changes in the Acts made through the circulars and memoranda have made it difficult for the concerned officers to follow the latest updates.

3.2.   Socio-Economic Conditions

3.2.1.   Demographic Characteristics

Population is increasing among all Divisions in Bangladesh whereas its population growth rate is decreasing in all Divisions, comparing two decades, 1991-2001 and 2001-2011 (Table 3.2.1). The population densities vary among the seven Divisions, where Dhaka Division has by far the highest density with the highest population growth rate, while Barisal Division has relatively low density with the lowest growth rate. According to the Population and Housing Census 2011, approximately 80% of the total population of Bangladesh lives in rural areas.

Table 3.2.1   Population, Average Growth Rate (1991-2011),

Division	Population in thousands			Average Annual Growth Rate (%)		Area (sq. km)	Population Density (per sq. km)
	1991	2001	2011	1991–2001	2001–2011		
Total (National)	106,315	124,355	139,253	1.17	1.12	147,570	944
Barisal	7,463	8,174	8,489	1.10	1.04	13,297	638
Chittagong	20,523	24,290	27,164	1.18	1.12	33,771	804
Dhaka	32,666	39,045	45,569	1.20	1.17	31,120	1,464
Khulna	12,688	14,705	15,387	1.16	1.05	22,272	691
Rajshahi	14,212	16,355	18,028	1.15	1.10	18,197	991
Rongpur	11,998	13,847	15,435	1.15	1.11	16,317	946
Sylhet	6,765	7,939	9,182	1.17	1.16	12,596	729

Source: Bangladesh Bureau of Statistics, "Population and Housing Census 2011"

3.2.2.   Poverty Profile

Over the past decade, Bangladesh has made significant improvement in poverty reduction, thanks largely to steady economic growth. In 2010, 31.5% of a total of 156.8 million people live below the poverty line. The percentage was 40.0 in 2005. However, the outcome of poverty reduction at

national level has not been equally shared among Divisions, mainly because of unequal economic development.   Table 3.2.2 shows Head Count Rate of Poverty by division based on upper and lower poverty lines.   People who spend less than estimated upper and lower poverty lines are usually called "poor" and "extremely poor."   For instance, between 2005 and 2010, the poverty ratios fell steadily in Barisal, Chittagong, Khulna, and Rajshahi, but there was not remarkable progress in Dhaka and Sylhet. In 2010, poverty ratios of Rangpur were more than 10% higher than the national average both at upper and lower poverty levels.   Rangpur and Barisal have the highest incidence of poverty, while Chittagong and Sylhet have the lowest.   There are also huge rural-urban disparities in some Divisions. In Chittagong, Dhaka, Rongpur, and Sylhet, poverty ratios in rural areas are much higher than urban areas for both upper and lower poverty lines.   But, in Barisal, Khulna, and Rajshahi (new), large disparities cannot be seen and urban poverty ratios are even higher than rural ones.

It should also be noted that there are many variations in poverty incidence within each Division. Figure 3.2.1 shows the proportion of population in 544 Upazila whose per capita household expenditure is below the upper poverty line (left) and the lower poverty line (right).[10]   The darker the color, the poorer the Upazila is.   The *Poverty Maps of Bangladesh 2010* indicates that 51 Upazilas have 50% or higher incidence of poverty, while 95 have 15% or less.   For example, 10 Upazilas of Dhaka have 55% or higher poverty rate, although it is less than 4% in other Upazilas.   In Chittagong, 50% or higher poverty rate was found in 6 Upazilas whereas the incidence was below 4% in the 6 others.   It is obvious that the poverty status not only at the Division level but also Upazila level must be utilized to prioritize areas for development and achieve more effective poverty reduction.

Table 3.2.2   Poverty Ratio by Division, 2005 and 2010

Division	Upper Poverty Line (%)						Lower Poverty Line (%)					
	2005			2010			2005			2010		
	All	Rural	Urban	All	Rural	Urban	All	Rural	Urban	All	Rural	Urban
Total (National)	40.0	43.8	28.4	31.5	35.2	21.3	25.1	28.6	14.6	17.6	21.1	7.7
Barisal	52.0	54.1	40.4	39.4	39.2	39.9	35.6	37.2	26.4	26.7	27.3	24.2
Chittagong	34.0	36.0	27.8	26.2	31.0	11.8	16.1	18.7	8.1	13.1	16.2	4.0
Dhaka	32.0	39.0	20.2	30.5	38.8	18.0	19.9	26.1	9.6	15.6	23.5	3.8
Khulna	45.7	46.5	43.2	32.1	31.0	35.8	31.6	32.7	27.8	15.4	15.2	16.4
Rajshahi	51.2	52.3	45.2	35.7	36.6	30.7	34.5	35.6	28.4	21.6	22.7	15.6
Rajshahi (new)	–	–	–	29.7	29.0	32.6	–	–	–	16.0	16.4	14.4
Rongpur	–	–	–	42.3	44.5	27.9	–	–	–	27.7	29.4	17.2
Sylhet	33.8	36.1	18.6	28.1	30.5	15.0	20.8	22.3	11.0	20.7	23.5	5.5

Source: Bangladesh Bureau of Statistics, "Household Income and Expenditure Survey 2010"

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[10]   The two maps are cited from the World Bank, 2014, *Poverty Maps of Bangladesh 2010: Key Findings*.   This document indicates the number of Upazilas as 544 (and 64 Districts) without any explanation (p. 4).   As of January 2015, the official number stands at 488.
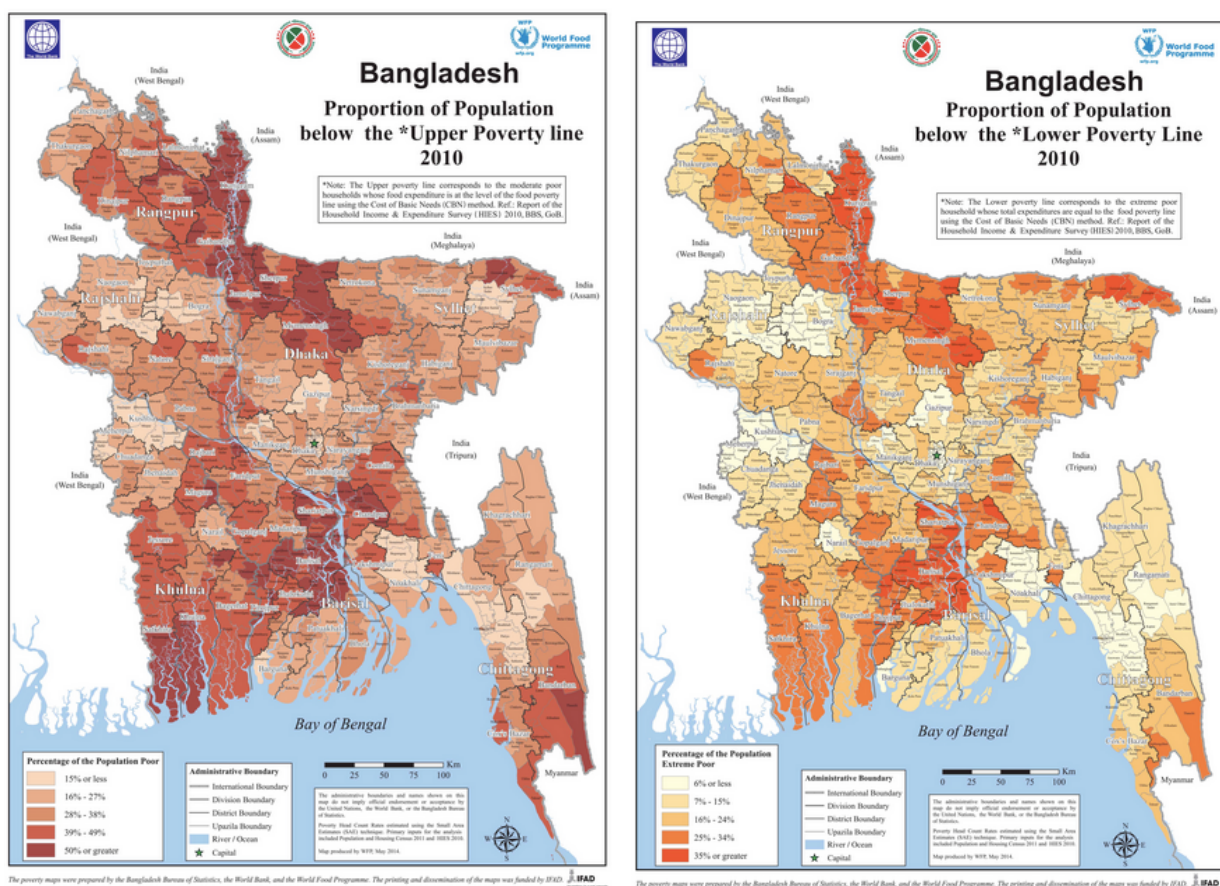
Source: The World Bank, 2014, *Poverty Maps of Bangladesh 2010: Key Findings*.

Figure 3.2.1   Poverty Maps at Upazila Levels, 2010

Table 3.2.3 provides monthly household nominal income and consumption expenditure in 2010.   The highest average household income was achieved in Chittagong followed by Dhaka and Sylhet.   Three Divisions, all of which exceeded the national average income, are located in the east region and less colored in Figure 3.2.1.   Other four Divisions, Barisal, Khulna, Rajshahi, and Rongpur, recorded average household income below the national average.   In these Western Divisions, darkly colored in Figure 3.2.1, measures to increase income of poor households are strongly required.

Table 3.2.3   Monthly Household Income and Consumption Expenditure by Division, 2010

Division	Income (Tk.)	Consumption Expenditure (Tk.)
Total (National)	11,479	11,003
Barisal	9,158	9,826
Chittagong	14,092	14,360
Dhaka	13,226	11,643
Khulna	9,569	9,304
Rajshahi	9,342	9,254
Rongpur	8,359	8,298
Sylhet	11,629	12,003

Source: Bangladesh Bureau of Statistics, "Household Income
and Expenditure Survey 2010"

3.2.3.   Education

School enrollment in the age group 6-10 is indicated in Table 3.2.4.   The percentage is defined by the number of students enrolled in schools in the age group divided by the number of children in the age group.   The school enrollment of children aged 6-10 for both sexes is 84.75% at the national level, and there is a gap between the highest rate of Barisal, 91.13% and the lowest one of Sylhet, 75.66%.   The gap between Barisal and Sylhet is wider when it comes to the school enrollment rate of children from poor households.   In Sylhet, only 64.16% of poor children are enrolled in schools, while 88.24% of poor children in Barisal are enrolled in schools.

Furthermore, it is noteworthy that the enrollment rates of female are higher than that of male in all Divisions regardless of the poverty status, apart from the sole exception of the non-poor children in Chittagong.   Especially for poor children in Barisal, Dhaka, Rajshahi, and Rangpur, the enrollment rates of female from poor households are approximately 10% higher than that of male.   According to the Sixth Five-Year Plan (2011-2015) of Bangladesh, the ratio of girls to boys in primary and secondary education is the only one target that was already achieved before the target year of 2015.

Table 3.2.4   School Enrollment Rate of Children Aged 6-10 by Division, Sex, and Poor/Non-Poor Status (Lower Poverty Line), 2010

Division	Total (%)			Poor (%)			Non−Poor (%)		
	Both	Male	Female	Both	Male	Female	Both	Male	Female
Total (National)	84.75	82.61	86.99	78.33	74.20	82.59	89.00	88.10	89.94
Barisal	91.13	87.53	95.21	88.06	82.24	93.50	94.02	91.70	97.18
Chittagong	83.09	82.46	83.74	75.52	72.18	79.28	87.12	88.30	85.96
Dhaka	84.44	81.69	87.33	77.27	72.11	82.42	89.02	87.58	90.57
Khulna	89.01	87.57	90.43	87.29	86.58	87.98	90.09	88.19	91.97
Rajshahi	85.75	83.25	88.43	78.69	74.12	83.74	91.57	90.93	92.23
Rajshahi (new)	87.30	84.82	89.81	81.69	76.01	87.39	90.48	89.78	91.19
Rongpur	84.21	81.68	87.05	76.70	72.95	81.11	93.08	92.49	93.72
Sylhet	75.66	73.43	77.95	64.16	61.17	66.71	82.08	79.34	85.20

Source: Bangladesh Bureau of Statistics, "Household Income and Expenditure Survey 2010"

Table 3.2.5 shows education levels of children aged 12-15 and youth aged 18-24.   In Bangladesh, primary education, which consists of grade 1-5 is compulsory for children aged 6-10 and free.   The second level of education is comprised of 7 years.   The first 3 years (grades 6-8) is referred to as junior secondary, the next 2 years (grades 9-10) is called secondary education, and the last 2 years (grades 11-12) is regarded as higher secondary education.   As for the primary education, both female children and youth recorded higher primary completion rate than male in all Divisions, reflecting the higher school enrollment rate described above.   However, secondary education completion rate of female becomes lower than male in all Divisions.   For instance, in Sylhet, only 11.3% of female youth completed secondary education.   In 1994, the Government of Bangladesh implemented the Female Secondary School Assistance Program that was designed to improve access and retention in secondary schools among girls through the reduction of tuition fee and the provision of stipend.   But the present situation indicates that more actions are required to generalize secondary education for female.

Literacy rate of 15-45 years is indicated in Table 3.2.6.   Contrary to the high primary school enrollment rate of female, literacy rate of female is lower than male in all Divisions regardless of the rural/urban difference.   Except for Barisal, literacy rate of rural female is under 50% in all Divisions.   However, in rural areas, male literacy rate is also low compared with urban male.   In Sylhet, for example, female literacy rate in rural areas recorded only 33.1% and male literacy rate was only 42.1%.   It is suggested that literacy rate for both male and female should be improved especially in rural areas.

Table 3.2.5   Education of Children and Youth, 2010

Division	Children aged 12–15 who completed primary education* (%)		Youth aged 18–24 who completed primary education* (%)		Youth aged 18–24 who completed secondary education** (%)	
	Male	Female	Male	Female	Male	Female
Total (National)	57.3	67.2	71.8	75.5	22.7	17.0
Barisal	59.8	69.3	74.1	77.8	25.0	21.7
Chittagong	53.4	64.6	72.6	77.8	20.7	16.8
Dhaka	55.7	64.7	69.4	73.0	20.8	16.1
Khulna	66.0	78.2	76.3	82.4	27.1	19.5
Rajshahi	62.0	71.6	74.5	76.3	27.2	18.0
Sylhet	47.8	57.0	62.7	65.1	14.4	11.3

* Completed primary education: Completed at least grade 5.
** Completed secondary education: Completed at least grade 10.
Source: National Institute of Population Research and Training, 2011, "Bangladesh District Level Socio-demographic and Health Care Utilization Indicators"

Table 3.2.6   Literacy Rate of 15-45 Years, 2011

Division	All (%)			Rural (%)			Urban (%)		
	Both	Male	Female	Both	Male	Female	Both	Male	Female
National	51.3	54.6	47,9	47.9	51.2	44.5	64.3	67.7	60.8
Barisal	59.7	61.8	57.6	55.0	57.1	52.9	74.4	76.1	72.6
Chittagong	52.4	55.4	49.7	49.3	52.5	46.4	63.0	65.3	60.8
Dhaka	49.2	52.5	46.0	45.8	48.7	43.1	61.1	65.6	56.7
Khulna	53.7	56.7	50.6	50.7	53.6	47.7	67.0	70.5	63.3
Rajshahi	50.4	54.2	46.1	47.4	51.5	42.9	63.9	67.2	60.5
Sylhet	43.1	48.2	38.2	37.4	42.1	33.1	61.0	65.6	55.9

Source: Bangladesh Bureau of Statistics, "Literacy Assessment Survey 2011"

3.2.4.   Public Health

Infant mortality in Bangladesh has been on the decline (Table 3.2.7).   But the Sixth Five-Year Plan (SFYP) aims to reduce the number to 31 by 2015 for satisfying the Millennium Development Goals (MDGs).   Table 3.2.8 shows the trend of fertility decline in Bangladesh by rural and urban residence. Compared to women in rural areas, there is a faster decline in fertility among urban women.

Table 3.2.7   Infant Mortality*, 1991-2011   **Table 3.2.8   Total Fertility Rate**, 1991-2011**

Area	Infant Mortality				Area	Total Fertility Rate		
	1991	2004	2011			1991	2004	2011
National	87	54	37.3		National	3.67	2.51	2.10
Rural	88	57	37.9		Rural	3.82	2.67	2.17
Urban	69	41	35.0		Urban	2.77	1.91	1.85

* Deaths per 1,000 live births.
**Total Fertility Rate: The number of children a woman would have during her lifetime.
Source: Bangladesh Bureau of Statistics, "Population and Housing Census 2011"

According to the Bangladesh Maternal Mortality and Health Care Survey 2010, maternal mortality declined by 40% from 322 in 2001 to 194 in 2010.   In order to meet the MDGs' target, that is 143 by 2015, further efforts are needed on maternal health.   Table 3.2.9 suggests that prompt actions and more supports should be offered especially in Sylhet where maternal mortality recorded exceedingly higher than the national average in 2010.

Table 3.2.9   Maternal Mortality*, 2010

Division	Maternal Mortality
Total (National)	194
Barisal	168
Chittagong	186
Dhaka	196
Khulna	64
Rajshahi	173
Sylhet	425

* Deaths per 100,000 live births.
Source: National Institute of Population Research and Training, "Bangladesh Maternal Mortality and Health Care Survey 2010"

3.2.5.   Household Characteristics and Market Accessibility

Table 3.2.10 shows the percentage of households with electricity, sanitary toilet, and improved housing. Less than half of households in Rajshahi and Sylhet, and only 37% of households in Barisal have access to electricity.   Approximately half of households in Chittagong and Dhaka, and only 43.4% of households in Sylhet have sanitary toilets.   In Rajshahi and Sylhet, about half of their households do not live in improved housing.

Regarding water supply, UNICEF (2014) states that around 26 million people in Bangladesh do not have access to safe drinking water sources.   Most of the people without access to safe drinking water are poor and live in remote rural areas or urban slums.   As Table 3.2.11 indicates, Bangladeshi households continue to rely overwhelmingly on tube wells as their primary source of drinking water. In Rangpur, only 0.6% of its households have access to tap water, while Dhaka has the highest rate of households with tap water supply.

Figure 3.2.2 illustrates the relationship between poverty and market access.   In the map of travel time to Dhaka, the darker the color, the longer the travel time is.   For instance, the coastal areas, eastern part of Chittagong, and northern part of Rajshahi are all far away from Dhaka and all three areas are very poor.   It appears that improved access to market is an important component of rural development and poverty reduction.

Table 3.2.10   Household Characteristics, 2010   **Table 3.2.11   Sources of Drinking Water, 2011**

Division	Household (%)		
	with electricity	with sanitary toilet*	with improved housing**
Total (National)	54.7	60.4	65.5
Barisal	37.0	73.1	85.8
Chittagong	63.6	49.5	63.0
Dhaka	61.8	51.3	79.4
Khulna	53.5	79.9	57.3
Rajshahi	44.8	72.1	50.8
Sylhet	49.1	43.4	51.0

Division	Use of Drinking Water (%)		
	Tap	Tubewell	Others
Total (National)	8.1	89.1	2.8
Barisal	1.6	92.9	5.5
Chittagong	7.0	88.8	4.2
Dhaka	17.5	81.9	0.6
Khulna	2.7	89.8	7.5
Rajshahi	2.1	96.9	1.0
Rangpur	0.6	98.4	1.0
Sylhet	4.8	86.2	9.0

* Sanitary toilet: Flush toilet/pit toilet with slab.
** Improved housing: House with finished roof and wall.
Source: National Institute of Population Research and Training, 2011, "Bangladesh District Level Socio- demographic and Health Care Utilization Indicators"

Source: Bangladesh Bureau of Statistics, "Population and Housing Census 2011"
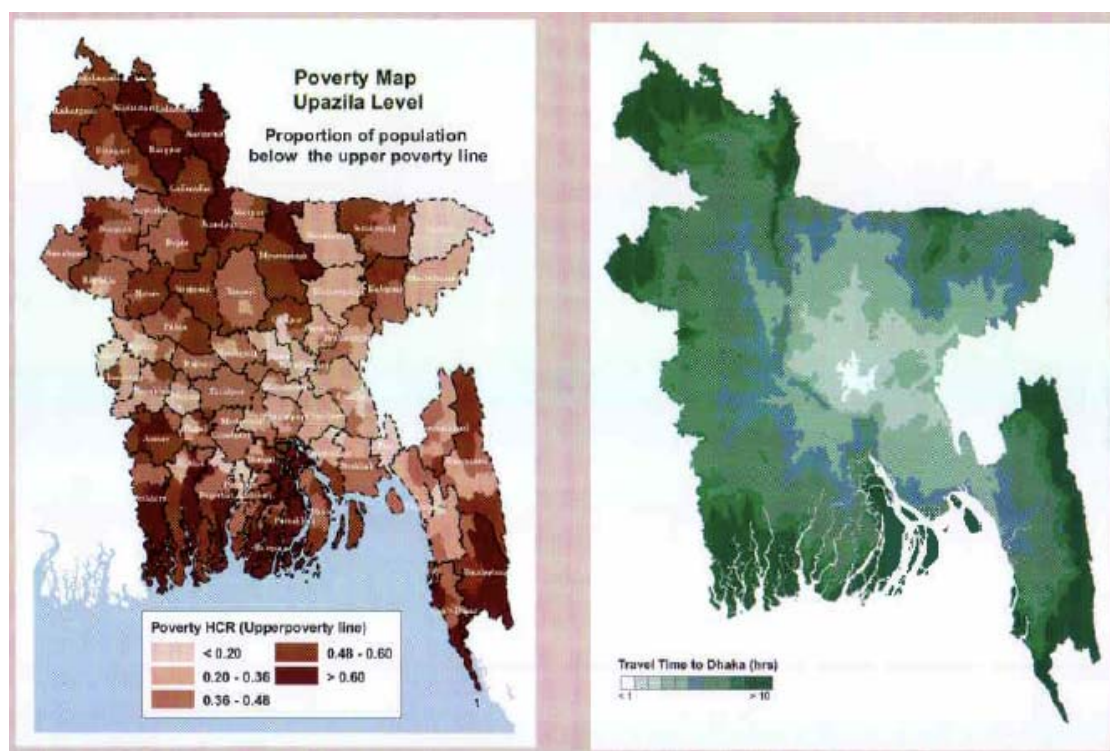
Source: Bangladesh Bureau of Statistics, "Poverty Maps of 2005"

Figure 3.2.2   Poverty Map at Upazila Level (Left) and Travel Time to Dhaka (Right), 2005

3.2.6.   Situation of Socially Disadvantaged (Women, Religious Minority, and Handicapped)

In Bangladesh, situation of socially disadvantaged people such as women, religious minority, and handicapped is very severe.   Although progress has been seen in gender equality in terms of primary education, women remain in a highly disadvantaged position with regard to access to food, nutrition and health care.   As the SFYP admits, girls generally face disadvantages from early childhood throughout

their entire life span.   Furthermore, in South Asia region, Bangladesh has the highest prevalence of child marriage that prevents girls from completing secondary education.   According to UNICEF (2011), about a third of Bangladeshi women aged 20-24 are married by the age of 15, and 66% of girls will wed before their 18th birthday, although the legal age for marriage is 18 for girls.

Hindu and other religious minorities are also disadvantaged in Bangladesh.   The 2013 International Religious Freedom Report by the US State Department announced that there were reports of social abuses and discrimination in Bangladesh that are based on religious affiliation, belief or practice.   A large number of arson attacks and looting of minority religious sites and private homes took place across the country, especially against Hindus.   It is considered that violence against minority groups normally had economic or criminal dimensions, and could not be attributed solely to religious belief or affiliation.

People with disabilities are another victim in Bangladesh where they are often excluded both from their communities and from development initiatives.   According to the World Bank, the number of people with disabilities in Bangladesh is high enough to merit special attention and most of them live in rural areas.   Not only in Bangladesh but also in many countries, disability and poverty cause and reinforce each other.   The SFYP states that measures will be taken so that persons with disabilities can have access to all physical facilities, and inclusion of them in various national and community level decision-making processes.

It is strongly required that opportunities will be expanded for disadvantaged people and actions for poverty reduction will pay special attention to women, religious minorities and people with disabilities.

3.3.   System of Local Governance

In this section, the Study explores the local governance system of Bangladesh, comparing the system that is stipulated in the laws and regulations with the reality on the ground, and looks into reasons for the disparity between the two.   Some of the issues are examined in detail in the last part of the section.

3.3.1.   The Central Government

(1)   The Ministry of Local Government, Rural Development and Cooperatives

The Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C) is the primary government organization in Bangladesh responsible for matters related to local government, rural development, and cooperatives.   The MLGRD&C has two divisions: the Local Government Division (LGD) and the Rural Development and Cooperatives Division (RDCD).   Each Division has several departments and institutions that undertake technical and sectoral work, as well as conducting research and training.   Figure 3.3.1 indicates the organizational structure of the MLGRD&C, showing the two Divisions and the major departments under each Division.   Table 3.3.1 shows the Divisional development budget allocation in the MLGRD&C.
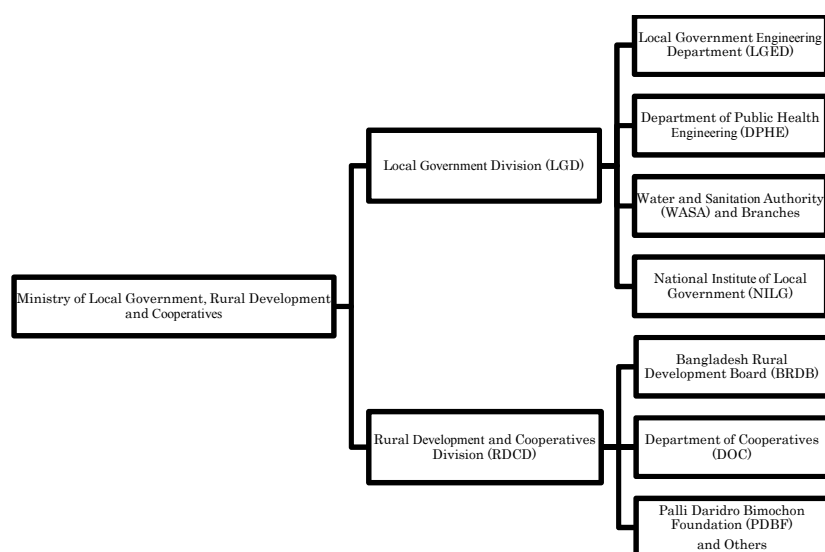
Source: LGD and RDCD's webpage

Figure 3.3.1   Organizational Structure of MLGRD&C

Table 3.3.1   Annual Budget by Division, Ministry of Local Government, Rural Development and Cooperatives[11]

Unit: BDT 10 million

	Item	**Budget 2014-2015**	**Revised Budget 2013-2014**
LGD	Non-Development	1,997	1,917
	Development	13,467	11,405
	Subtotal	15,464	13,322
RDCD	Non-Development	329	316
	Development	1,187	1,118
	Subtotal	1,516	1,434
Ministry of Chittagong Hill Tracts Affairs*	Non-Development	259	270
	Development	476	363
	Subtotal	735	633
Total as the Ministry		17,715	15,389

Source: Ministry of Finance webpage, www.mof.gov.bd, Budget in brief 2014-2015, Statement II
*) The budget for the Ministry of Chittagong Hill Tracts Affairs is included under the MLGRD&C.[12]

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[11] The Non-Development budget includes both the Revenue budget and the Capital budget. It includes recurrent expenditures (payrolls and allowances, supplies, operation and maintenance cost, etc.), net lending (payments of loans, advances to staff members), capital expenditures (investment), and Non-ADP projects.   The Development budget includes expenditures for implementation of the Annual Development Plan.

[12] The Ministry of Chittagong Hill Tracts Affairs, created in 1998 as a coordinating instrument at the national level, is a ministry headed by an indigenous Minister to oversee all activities in the Chittagong Hill Tracts (CHT).   The CHT is a region located in the southeastern part of Bangladesh as the country's only extensive hilly area.   It has distinct ethnic, cultural and environmental characteristics.   It is a semi-autonomous region in the country comprising of three Districts: Khagrachari, Rangamati and Bandarban.   At present, three different systems co-exist in the region: the central government's administrative system, the self-rule government, and the traditional administrative system of Circle Chiefs and Headmen.   The general administrative system of the central government in the CHT is represented by the Office of the Deputy Commissioner at the District level and consists of the local government bodies of the Regional Council, the Hill District Councils, the Upazila Parishad, Union Parishad and Pourashava.   (The Ministry of Chittagong Hill Tracts Affairs webpage, www.mochta.gov.bd)

(2)   **Local Government Division (LGD)**

The Local Government Division (LGD) is responsible for all matters related to local government and local governmental institutions. LGD finances, regulates, and oversees all levels of local governmental institutions and monitors programs carried out by these institutions. Its mission is to improve the standard of living of the people by strengthening local government systems and institutions and through implementing activities for social, economic and infrastructure development.

(a)   **Function**

Major functions of LGD are:

- Manage all matters relating to local government and local government institutions;
- Finance, control and inspect local government institutions established for the running of local government and local administration;
- Manage all matters relating to drinking water;
- Develop water supply, sanitation and sewerage facilities in rural and urban areas;
- Construct, maintain and manage Upazila, Union and village roads including the roads of towns and municipal areas and bridges/culverts;
- Manage matters relating to village police;
- Develop, maintain and manage growth centres and hats-bazaars connected via Upazila, Union and village roads; and
- Develop, maintain and manage small-scale water resource infrastructures within the limits determined by the government.

(b)   **Organizational Structure**

The organizational structure of LGD is shown in Figure 3.3.2.
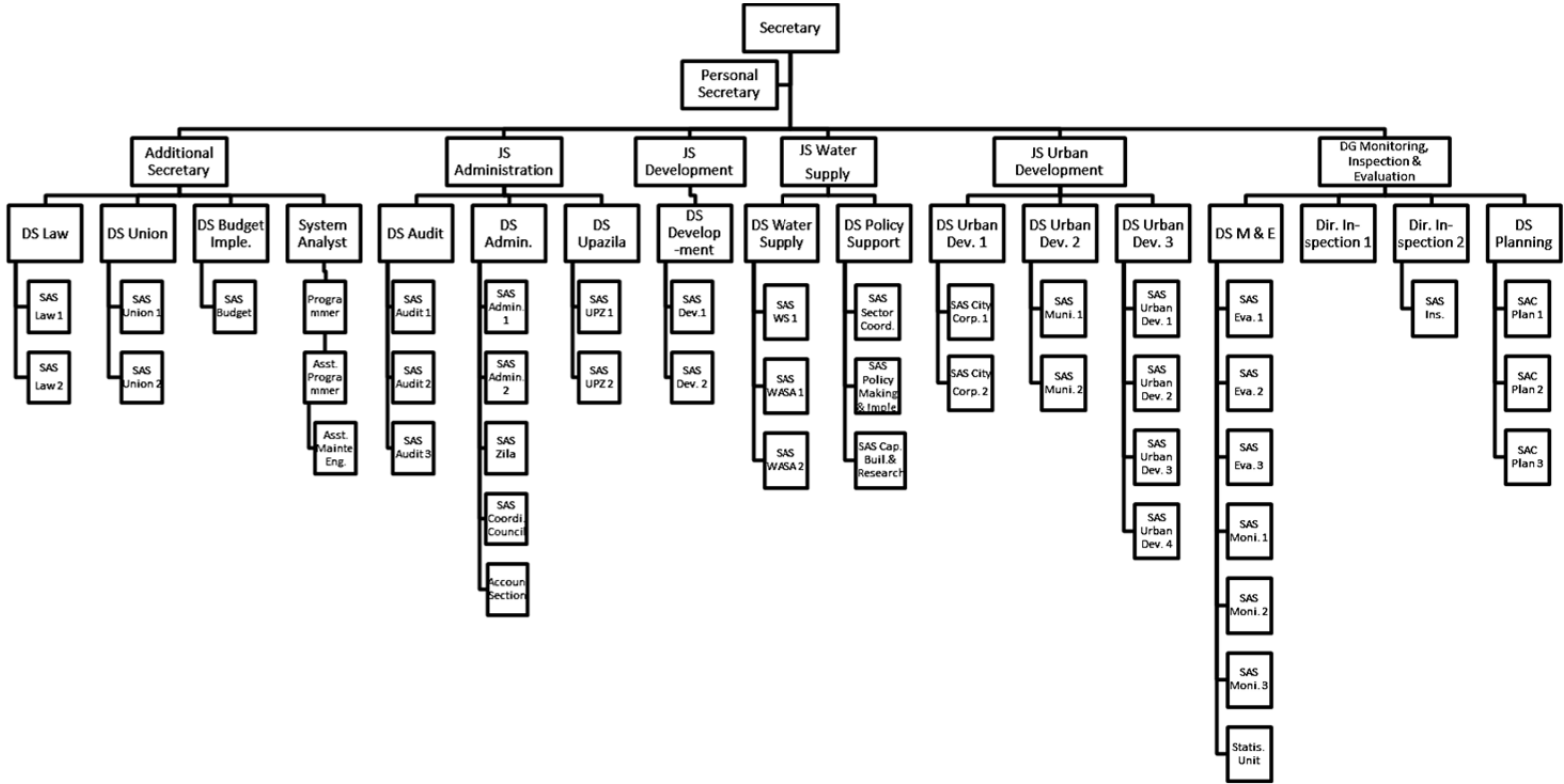
Figure 3.3.2 Organizational Structure of LGD

Source: Created by the JICA Study Team based on an LGD document

JS: Joint Secretary, DS: Deputy Secretary, Dir: Director, SAS: Senior Assistant Secretary, WS: Water
Supply, WASA: Water Supply and Sanitation, Dev.: Development, ZP: Zila ,
M&E: Monitoring and Evaluation

Table 3.3.2　Human Resources of LGD

No.	Name of the Post	The Number of Officers
1	Secretary	1
2	Additional Secretary	3
3	Joint Secretary	3
4	Deputy Secretary	13
5	Director	2
6	Deputy Chief	1
7	System Analyst	1
8	Senior Assistant Secretary	37
9	Private Secretary	1
10	Senior Assistant Chief	3
11	Programmer	1
12	Assistant Programmer	1
13	Asst. Maintenance Engineer	1
14	Accounts Officer	1
	Sub-Total	69
15	Assistant Statistics Officer	4
16	Administrative Officer	38
17	Personal Officer	23
	Sub-Total	65
18	Computer Operator	7
19	Steno Typist	33
20	Office Assistant	2
21	Typist/Computer Operator	2
22	Others, including Accountant, Cashier, Cash Saker, etc.	7
	Sub-Total	51
23	Middle-Level Supporting Staff	65
	Sub Total	
	Total	250

Source: Created by the JICA Study Team based on an LGD document and information

In practice, there are some positions that are promoted to a higher status, for example, the Administration Joint Secretary has been upgraded to the Additional Secretary position and the Upazila 1 Senior Assistant Secretary position has been upgraded to the Deputy Secretary position over the last few years.　Also, there are some vacancies, e.g., the Joint Secretary position of the Water Supply is currently vacant and the Director General is looking after the operation of this wing.　Each cell has two to three subordinate staff members, such as one personal officer or administrative officer, one steno typist, one MLSS.　Some officers are assisted by computer operators.

(c)　Sections of LGD

Table 3.3.3　Sections in LGD and Their Responsibilities

Section/Wing	Main Responsibility
Union Parishad 1 and 2 (under "Additional Secretary")	Union Parishads
Upazila Parishad 1 and 2 (under "Administration")	Upazila Parishads
Zila Parishad (under "Administration")	Zila Parishads
Municipality 1 and Municipality 2 (under "Urban Development")	Pourashavas

City Corporation 1 and 2 (under "Urban Development")	City Corporations
Budget Section (under "Additional Secretary")	Budget
Monitoring 1, 2 and 3 (under "MIE")	Monitoring
Evaluation 1, 2 and 3 (under "MIE")	Evaluation
Audit 1, 2 and 3 (under "Administration")	Audit
Director Inspection 1 and 2 (under "MIE")	Inspection

<Upazila Wing>

In LGD, the Upazila Wing in the Administrative Department is in charge of overall Upazila matters. It is headed by the Joint Secretary (upgraded from the Deputy Secretary position), and there are two offices under the Joint Secretary: Upazila 1 and Upazila 2. The total number of staff of the Upazila Wing is 11 and their main responsibilities are as shown in Table 3.3.4.

Table 3.3.4   Upazila Wing's Main Responsibilities

Section	Main Responsibilities
Upazila 1	• Implementation, notification and upgrading of acts, ordinances, rules and regulations related to the formation of Upazila Parishad • Making policies related to the Upazila and sending summaries of these to the Cabinet and NICAR • Matters related to actions of the committee, formed for reviewing of initiatives about matters handed over to the Upazila Parishad, providing advice, and notifying guidelines. • Preparation of guidelines for expending the Development and Revenue budgets of the Upazila Parishad • Updating, ensuring conformity with, and other matters related to proper control over the Development and Revenue budgets • Administrative approval at Upazila Parishads (Rajshahi, Rangpur, Khulna and Barisal Division) in light of relevant acts, rules, notifications, guidelines, and other related matters • Matters related to the formation of new Upazilas and determination of Upazila boundaries • Reporting to the cabinet and NICAR regarding Upazila-related decisions • Matters related to dissolving Upazila Parishads and taking actions for by-elections • Taking appropriate election initiatives to properly conduct the activities of Upazila Parishad • Issues related to Chairperson and Vice chairperson of Upazila Parishads, including remuneration, working conditions, training, investigation of allegations, etc. • Matters related to vehicles and watercraft under the Upazila Parishad • Matters related to third- and fourth- class employment of the Upazila Parishad
Upazila 2	• Allocation and disbursement of Annual Development Program (ADP) funds for Upazilas • Review, communication and coordination of Development Assistant Fund and Projects • Provision of administrative approval of Upazila Parishads (Dhaka, Chittagong and Sylhet) in light of acts, rules, notifications, guidelines, etc. • Taking measures pertaining to any allegations raised against the development activities of the Upazila Parishad • Taking measures concerning Upazila Contracts Rules '86 • Examination, approval and provision of remarks on projects by NGO • Taking measures concerning inter-ministerial projects accepted by the Upazila Parishad • Coordination among the programs of different ministries and institutions and Upazila Parishad's activities • Consideration of comments and demands of people and public representatives on adopting Upazila Development Projects (such as for construction of roads, bridges, culverts, etc.) • Implementation of Presidential or Prime Ministerial initiatives related to Upazila

	development
	• Review of the meeting minutes of the Upazila Parishad and undertaking activities in compliance with these
	• Carrying out examinations and annual audits of the activities of the Upazila Parishad
	• Settlement of allegations received against staff of the Upazila Parishad related to transferred matters

Source: LGD, 2011, Work Distribution

<Monitoring, Inspection and Evaluation (MIE) Department>

There are three monitoring sections and three evaluation sections in the MIE Department.   Monitoring sections focus on Upazilas' development activities as well as other activities, while Evaluation sections mainly check expenditures under block grants.   Table 3.3.5 shows Upazila-related monitoring and evaluation functions of these sections.

Table 3.3.5   MIE Wing's Upazila-related Responsibilities

Section	Responsibilities
Monitoring 1	• Monitoring of development activities under block grants of District/Upazila/Union Parishad in Chittagong and Sylhet Divisions
Monitoring 2	• Monitoring of development activities under block grants of District/Upazila/Union Parishad in Rajshahi and Barisal Divisions • Monitoring of annual performance of Upazila Parishads • Monitoring of institutional and organizational activities of Upazila Parishads • Matters related to special reports by District Commissioners concerning Upazila Parishads • Monitoring of financial performance of Upazila Parishads • Monitoring of development activities of Upazila Parishads • Collection of comments of related officials concerning the conduct of activities of Upazila Parishads and related monitoring • Monitoring of basic information concerning Upazilas • Coordination of training programs and workshops related to Upazila monitoring • Retention of all related acts/rules and updates
Monitoring 3	• Monitoring of development activities under block grants of District/Upazila/Union Parishad in Dhaka, Khulna and Rangpur Divisions • Formulation of Annual Report
Evaluation 1	• Matters related to evaluation of expenditure of grant block in Dhaka and Barisal Divisions
Evaluation 2	• Matters related to evaluation of expenditure of grant block in Chittagong and Sylhet Divisions
Evaluation 3	• Evaluation of reports on expenditure of Development Projects implemented by all City Corporations, Zila Parishads, Pourashavas and Upazila Parishads under Rangpur Division through Annual Development Program and block grants

<Audit section>

Audit Section 1 under the Administrative Department (the same Department as the Upazila Wing) is responsible for auditing of Upazila Parishads.   Actual audit is conducted by the Office of Comptroller and Auditor General (C&AG), and the section's role is coordinating with C&AG and Upazila Parishads.

(d)   Budget

As shown in Table 3.3.1, the total budget of the LGD for Fiscal Year 2014-15 is BDT 155 billion.   Out of the total budget, the development budget accounts for 87%, at BDT 135 billion.   According to the Mid-Term Expenditure Framework,[13] only BDT 4.6 billion is allocated to Upazilas for the annual ADP in FY 2014-15.

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[13]   http://www.mof.gov.bd/en/budget/14_15/mtbf/en/MBF_37_Local%20Government%20Division_English.pdf

(e)   Departments and Agencies under LGD

LGD has several subordinate institutions, reflecting its mandate mentioned above. Construction, maintenance and management of Upazila, Union and village roads, including bridges and culverts, are important mandates of LGD. The Local Government Engineering Department (LGED) is the responsible body under LGD for this sector.

Activities for development and management of water supply, sanitation and sewerage facilities in urban areas are undertaken by the Water and Sewage Authority (WASA), another main department under LGD. WASA has four metropolitan branches, namely Dhaka (DWASA), Chittagong (CWASA), Khulna (KWASA) and Rajshahi (RWASA).   For other areas in the country, these services are provided by the Department of Public Health Engineering (DPHE).

The National Institute of Local Government (NILG) plays a role in training and research and provides consultancy services related to local governance under the supervision of LGD.

(3)   Local Government Engineering Department (LGED)[14]

LGED is one of the largest government organizations in Bangladesh.   The prime mandate of LGED is to plan, develop and maintain local-level rural, urban and small-scale water resource infrastructure throughout the country.   The major activities under this mandate are summarized in Table 3.3.6 below.

(a)   Function and Activities

Table 3.3.6   Functions and Activities of LGED

Functions	Activities
Rural Infrastructure Development To develop rural road transport network to improve accessibility to Growth Centers (GC); To important social and administrative points; To develop GCs to expand marketing facilities of farm and non-farm products of the rural areas	Construction of Upazila and Union roads and bridges and culverts for those roads Development of Growth Centers Important social and administrative facilities Construction of Union Parishad complexes and primary schools Construction of jetties and boat landings Constructions of cyclone shelters and Killas (elevated earthen places for the shelter of livestock during floods) Development of technical specifications and manuals for construction of rural infrastructure Development and updating of rural road master plans, infrastructure databases and digital maps Development of Upazila and Union planning books to facilitate local-level planning and participation Providing technical support to Zila and Upazila Parishads Tree plantation on the slopes of roads and embankments
Urban infrastructure development To support Urban Local Government Institutions (City Corporations, City Councils) to implement urban infrastructure development programs	Planning and implementation of integrated town centers (bus terminals, markets, etc.) Planning and implementation of municipal roads, bridge/culverts, drainage, water supply and sanitation projects Planning and implementation of solid waste management projects Planning and implementation of slum upgrading projects Development of Land use plan, survey and digital mapping Development of database and software for the use of municipalities to improve planning and management capacity and resources mobilization and management

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[14]   LGED webpage, www.lged.gov.bd

	Institutional development of municipalities through training and computerizations
	Preparation of district and Upazila town master plan
	Development of technical specifications and manuals for construction of urban infrastructures
Small scale water resources development To develop water resources less than 1000 hectares	Construction of flood protection embankment
	Conservation of water for irrigation and improvement irrigation systems
	Construction of water control structures and rubber dams
	Excavation and re-excavation of canals
	Training to stakeholders and WMCA members
Rural infrastructure maintenance	Routine and periodic maintenance of a total 0.265 million kilometers of roads and 1.2 million meters' length of bridges and culverts

Source: LGED website

(b)   Organizational Structure

LGED is a well-structured and highly centralized organization, playing a crucial role in implementation of the rural infrastructure development.   LGED has a total of 11,068 staff members in the different positions at LGED as of May 12, 2013, according to the LGED webpage.   There are 217 persons at the Headquarters level, which is roughly only about 2 percent of the total staffing.   Others are 28 at in Rajshahi and Dhaka Divisions (new positions), 126 (0.25%) at 14 regional level, 1,282 (11.6%) at the district level, 204 (1.8%) at Zila Parishads and 9,211 (83%) at the Upazila level.[15]   The majority of staff members are stationed at the field level: 7 Additional Chief Engineers (ACE) head the 7 respective Divisions, supervising regional offices, district-level offices and Upazila offices underneath.   For example, Khulna ACE is in charge of Khulna and Jessore Regions, 10 Districts and 59 Upazilas. Figure 3.3.3 below shows the organizational structure of the LGED field operation.

(c)   Budget and Financial Resources

LGED received BDT 83.78 billion from LGD and other ministries and departments for both the Development and Revenue budgets in FY2012-13.   The proportion of the LGD budget as compared to the total of budget from other ministries is not clear.[16]   LGED raised about BDT 2 billion by itself as revenue income from sales proceeds of tender forms, laboratory test fees, rental vehicles, etc.   Out of these financial resources, LGED spent BDT 82.65 billion for development programs.[17]

In addition to the official budget, the fund called "Important Rural Infrastructure Development Project (IRIDP)" that each Member of Parliament (MP) is to spend for her/his constituency is implemented through LGED.   The amount of these funds is said to be BDT 150 million for 4 years for each MP, which is quite significant.   Details of the IRIDP are discussed in Section 5.4.

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[15] Local Government Engineering Department, 2012, *LGED Annual Report 2012-13*.
[16] No information has been found on this point.
[17] Local Government Engineering Department, 2012, *LGED Annual Report 2012-13*.
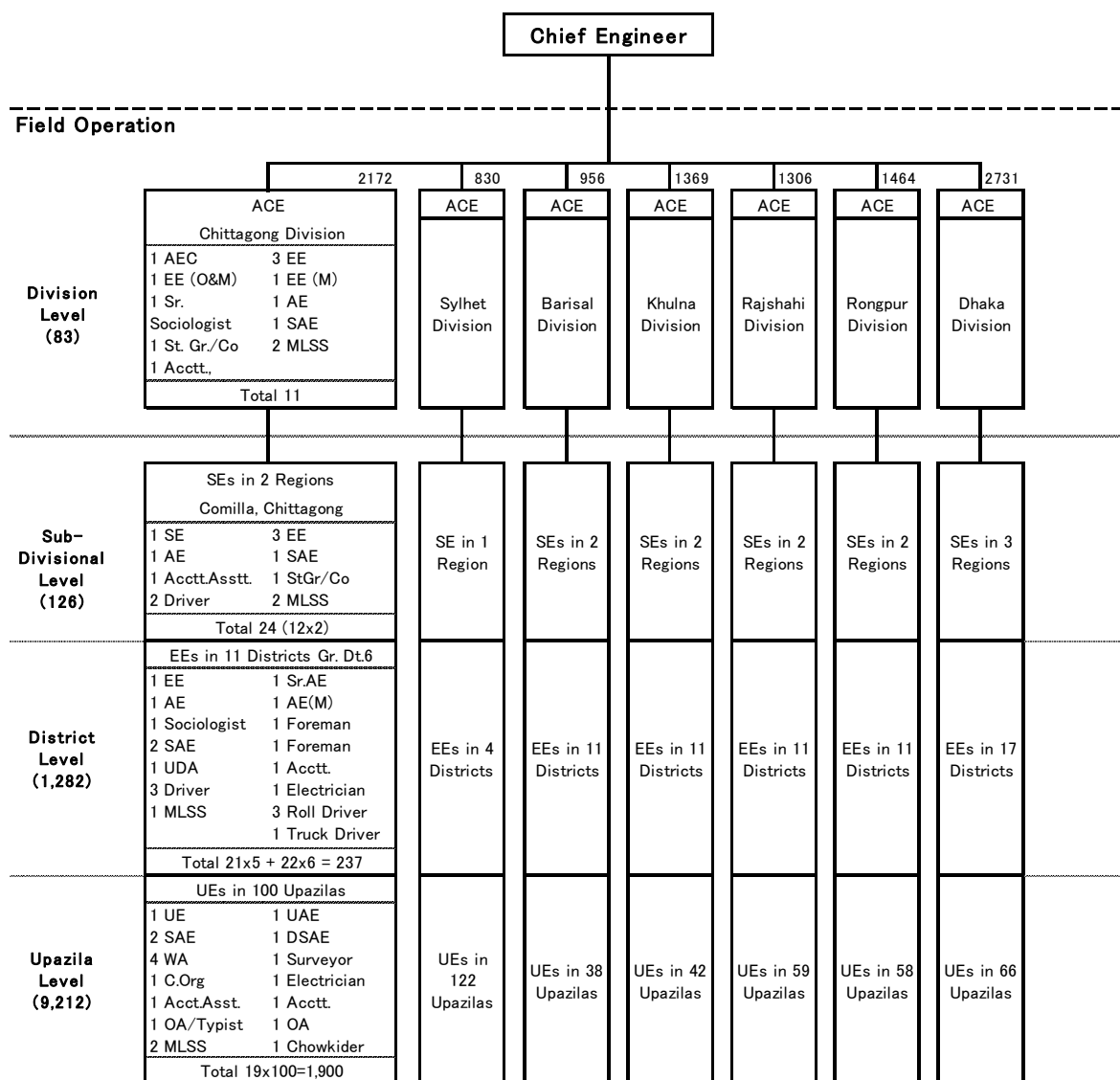
AEC: Additional Chief Engineer, SE: Superintending Engineer, EE: Executive Engineer, Sr. AE: Senior Assistant Engineer, AE: Assistant Engineer, UE: Upazila Engineer, UAE: Upazila Assistant Engineer, SAE: Sub-Assistant Engineer, DSAE: Draftsman-cum-SAE, StGr/Co: Stenograph/Computer Operator, Acct: Account, Asst: Assistant, OA: Office Assistant, MLSS:Member of Lower Supporting Staff , The numbers indicate the number of the staff members.

Source: LGED webpage: http://www.lged.gov.bd/UploadedDocument/Organograms/Organogram_11068_Nos_2013.pdf

Figure 3.3.3   Organizational Chart of the LGED Field Operation

(d)   Coordination Mechanisms between LGD and LGED

According to the LGED Annual Report, monthly Annual Development Program (ADP) review meetings are held between LGD and LGED, with the Minister of MLGRD&C serving as the chair.   LGED prepares the reports following approved ADP formats, in which issues and possible countermeasures are summarized.   In the meetings, these issues are discussed and instructions and advice are given by the Implementation Monitoring and Evaluation Division (IMED) and Planning Commission of LGD. Besides these, it seems to be that need-based or/and project/program-based meetings or committees exist for better coordination between LGD and LGED.

(e)   Relationship between LGD and LGED

As mentioned earlier, LGED is one of the Departments under LGD, and the coordination mechanisms

between the two institutions are set up. However, LGED enjoys independent operations over the matters under its mandates to a great extent. Unlike LGD, all top officials of LGED are engineers, and there is no policy-level intervention from LGD or inter-governmental personnel exchanges between LGED and LGD or any other organization within the government. The relationship between LGED and LGD influences the power structure at the local government level.

(4)   Department of Public Health Engineering (DPHE)[18]

The Department of Public Health Engineering (DPHE) is responsible for provision of drinking water supply and waste management in the country. Established in 1936, DPHE, together with the local urban institutions, develop infrastructure for water and sanitation in urban areas. In rural areas, DPHE installs water and sanitation facilities, in close cooperation with the Union Parishads. DPHE also implements a variety of environmental improvement projects.

In large cities, separate authorities for water supply and sanitation operate. They are Dhaka Water Supply and Sewerage Authority (WASA), Chittagong WASA, Khulna WASA and Rajshahi WASA.

(a)   Functions

Functions of DPHE are as follows:

- Except city areas of Dhaka, Chittagong and Narayanganj, DPHE is responsible for the Water Supply and Sanitation (human excreta and sludge disposal, drainage and solid waste management) of the whole country, both in rural and urban (City Corporation, Pourashava, Upazila HQs and growth centers) areas;
- In urban areas DPHE solely or jointly with the pourashava is responsible for water supply and sanitation services. Also DPHE is responsible for assisting the Pourashavas and City Corporations through infrastructure development and technical assistance;
- Assist Local Government Institutions (City Corporations, Pourashavas, Union Parishads, etc.) in the operation and maintenance of the water supply and sanitation infrastructure and services including technical assistance;
- Ensure supply of adequate number of trained and skilled manpower in the water supply and sanitation sector through HRD of the sector personnel and institutions for proper and sustainable management of infrastructure and services;
- Strengthen water testing facilities through establishment of laboratories at different levels in order to institutionalize Water Quality Monitoring and Surveillance program throughout the country both in rural and urban areas to ensure safe water for the people;
- Carry out hydro-geological investigations in search of safe sources (both surface and ground) of water supply;
- Social mobilization for awareness raising towards proper management of water supply and sanitation infrastructure and promotion of personal hygiene practices;
- Develop safe water supply technologies in the arsenic-affected and other hydro-geologically difficult areas (saline belt, stone problem areas, hilly regions and areas likely to be affected by other micro-pollutants);
- Research and development activities in search of appropriate and affordable options including the indigenous ones of water supply and sanitation in the country;
- Ensure water supply and sanitation services/facilities during and after the natural disasters/ calamities;
- Establish the National Water Supply and Sanitation Information Center as a center of excellence for sectoral information management;

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[18]   DPHE website, http://www.dphe.gov.bd

- Capacity building of the community, LGIs, private entrepreneurs and NGOs with technical know-how, information, training, etc. in terms of water supply and sanitation;
- Monitoring and coordination of activities of the stakeholders including NGOs and private operators working in the water supply and sanitation sector; and
- Overall management of the Water Supply and Sanitation Sector Development Programme.

(b)   Organizational Structure

Figure 3.3.4 below shows the simplified organizational structure of DPHE.   It has 7,052 personnel, including assisting staff members, according to its webpage.   Like LGED, the majority of personnel (6,626 out of 7,052) work at the field level.   At the field level, there is a three-tier structure (Divisional, District and Upazila offices) covering all rural areas.
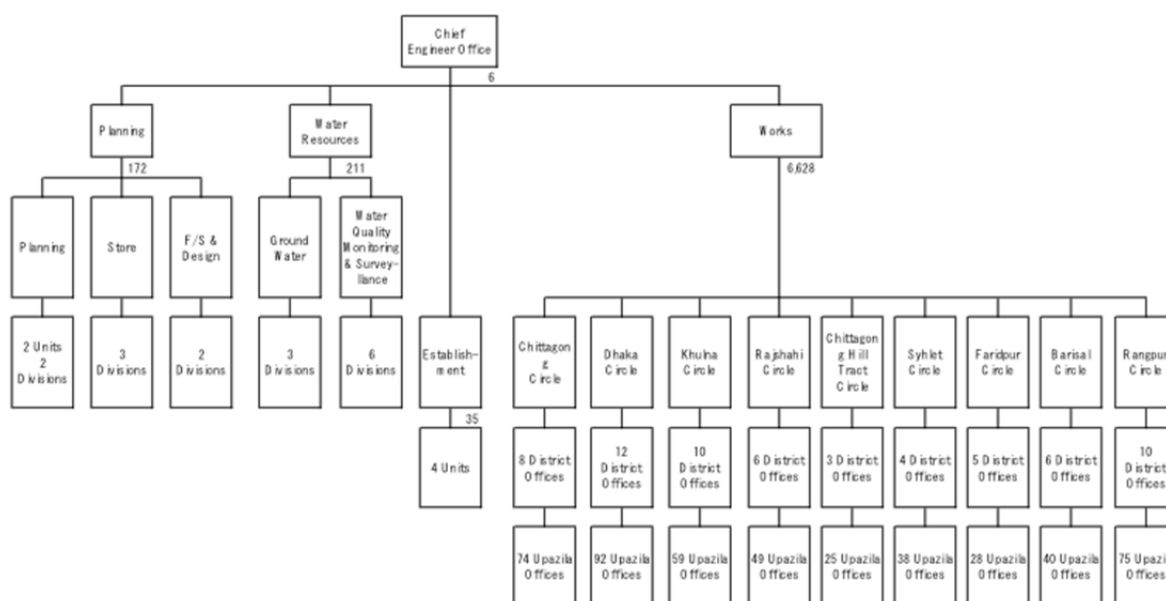
Source: DPHE webpage

Figure 3.3.4   Organizational Chart of DPHE (simplified)

(c)   Budget

DPHE implemented nine government-funded projects and three donor-funded projects in FY2013-14. The total budget for these projects accounted for within the Annual Development Program is BDT 3,532 million and 1,565 million, respectively.[19]

(d)   Coordination Mechanisms/Relationship between LGD and DPHE

DPHE is one of LGD's subordinate institutions responsible for providing water supply and sanitation services in the rural area.   There are sections in LGD that coordinate and support DPHE's activities. For example, the Water Supply-3 Branch in LGD is responsible for providing administrative support for the Water Supply and Sanitation Program, including preparing guidelines, policies and strategies, approving projects, employing foreign consultants, formulating and coordinating the Water Supply and Sanitation Programs, arranging seminars and workshops, publishing reports.   The Planning-3 Section under the Inspection, Monitoring & Evaluation Wing, is responsible to look after development projects

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[19]   DPHE website, http://www.dphe.gov.bd

proposed/undertaken by DPHE.   The activities include approving, revising, time extension, inspection, negotiation with donor agencies for funding, and related matters of those development projects.[20]

(5)   National Institute of Local Government (NILG)[21]

NILG is the capacity development and research arm of the Local Government Division.   As stated in its mission, its objective is to build the capacity of LGIs through training, research and advocacy activities.   Its guiding principle is securing good governance in LGIs in Bangladesh.

(a)   Functions

NILG's major functions include the following:

- Training officers and elected representatives within or related to LGIs;
- Holding seminars, workshops, and conferences, both at domestic and international levels;
- Publication and documentation;
- Providing consultancy services to LGD and LGIs regarding various issues;
- Collecting information, monitoring, and evaluation of LGIs; and
- Establishing linkages with other institutions to implement collaborative activities at both the domestic and international level.

(b)   Organizational Structure

NILG is headed by Director General and has four Directors (Training and Consultancy, Research and Planning, Administration and Co-ordination and Programmes and Evaluation), four Joint Directors, ten Deputy Directors, four Assistant Directors and seven Research Officers.   Other staff members include Statistical Officer, Librarian, Accounts Officer, Publication Officer, Public Relations Officer, Assistant Research Officers, etc.   The total number of personnel of NILG is 113.

(c)   Budget

BDT 80 million is secured for the NILG activities in FY2014-15 by the government.[22]

(d)   Coordination Mechanisms/Relationship between LGD and NILG

As mentioned in sub-section (a), NILG is the sole training institution under LGD and works closely with LGD.   The management of NILG is run by the Board of Governors (BOG), and the secretary of LGD is one of the BOG members.[23]   Taking advantage of this good relationship, as well as the proximity to the LGD secretariat, NILG sometimes invites LGD officers as guest lecturers to provide practical, hands-on knowledge to the participants, which the director of NILG considers as one of its strengths compared to other training institutions.

The details of NILG and other training institutions, including the courses, capacities and experiences, are discussed in section 3.8: Capacity Development for LGI Personnel.

(6)   Rural Development and Cooperative Department (RDCD)

Along with LGD, RDCD is one of MLGRD&C's two divisions.   It is responsible for rural development, cooperative-based activities and conducting continuous research on rural development. RDCD aims to reduce poverty and improve the socio-economic conditions of the poor living in rural areas.   According to its webpage, it has several Departments and Agencies, as shown in Figure 3.3.1 above.

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[20]   Based on information collected during the field study by the JICA Study Team.
[21]   NILG website, http://www.nilg.gov.bd
[22]   http://www.mof.gov.bd/en/budget/14_15/mtbf/en/MBF_37_Local%20Government%20Division_English.pdf
[23]   The chairperson of the BOG is the Minister of Local Government, Rural Development and Cooperatives (MLGRD&C).

(a)   Functions

The main functions of RDCD are as follows:

- Formulation of rural development policy and laws, rules and policy relating to cooperatives;
- Formulation and implementation of programs and projects to alleviate rural poverty;
- Assisting entrepreneurs through micro-credit, agricultural credit, cooperative-based small and cottage industries, cooperative banks, cooperative insurance schemes, cooperative-based farming and marketing, milk production and distribution activities, and other cooperative enterprises;
- Initiating human resource development programs for members of the cooperatives, providing education, training and conducting research programs on rural development and cooperatives;
- Innovating new model/strategy on rural development through action research; and
- Assisting in the socio-economic development and empowerment of rural women through formation of formal and informal groups under cooperative programs.

RDCD is providing support for the formulation of rural development policy, cooperative-related laws, rules and policies in many ways.   Formal and informal groups are formulated, and various programs and projects are implemented to strengthen these groups.   RDCD is also providing education and training, and conducting research programs on rural development and cooperatives.   Entrepreneurship is being developed through micro-credit, agricultural credit, cooperative-based banking, insurance, farming and marketing, and enterprise development.   RDCD has undertaken specific projects and programs that give priority to the development of rural women.   Some 65 percent of beneficiaries are women in the RDCD-implemented projects and programs.

(b)   Budget

As shown in Table 3.3.1, the total budget of RDCD for Fiscal Year 2014-15 is BDT 15 billion.   Out of the total budget, 80% (BDT 15 billion) is used for the development activities.

(c)   Relationship with LGD

RDCD is another division of MLGRD&C.   However, the coordination mechanisms between the two divisions regarding development programs/projects planning, implementation and monitoring, at the central level are not found.[24]   It seems that their coordination can take place at the field level.   Rural Development Officers and Cooperative Officers stationed at Upazila can coordinate their daily activities because they have been both transferred to Upazila.

(7)   Bangladesh Rural Development Board (BRDB)

BRDB is engaged in rural development and poverty alleviation activities in Bangladesh, positioned under RDCD. BRDB emphasizes institution building toward rural development.   It organizes rural farmers into cooperative societies and informal groups and provides them with short- and long-term credit, skills training, and technical assistance.   Through these activities, BRDB tries to promote self-sufficient and sustainable income-generating activities for the rural poor and marginalized people.

BRDB worked with JICA on various rural development-related projects, including Participatory Rural Development Project (PRDP) I and II since the 1990s, and is continuously working to disseminate the outcomes of PRDP II after the project completed in 2010.

(a)   Mission

BRDB sets its mission as follows:

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[24]   Interview with researchers who have worked in both LGD and RDCD.   They share the same opinion.

- To organize Comilla-type of cooperative for optimum utilization of human as well as material resources available to development;
- To organize rural populations into cohesive and disciplined groups for planned and sustained development;
- To accumulate and mobilize rural capital through thrift deposit and sale of shares;
- To ensure proper utilization of institutional credit;
- To develop human resources through training and motivation through a demand-driven portfolio, as well as for women's empowerment;
- To facilitate matching supply and demand needs for effective utilization of resources; and
- To develop local leadership as a community catalyst.

(b) Budget

BDT 2.3 billion is allocated for the budget of BRDB for FY2014-15. Major programs under this include: Poverty Reduction through Minor Crops Production, Preservation, Processing and Marketing Program (2nd Phase); Integrated Rural Employment Support Project for the Poor Women (IRESPPW); Participatory Rural Development Project (extension); and Rural Livelihood Project (2nd Phase).[25]

(c) Organization

The main office of BRDB consists of five main divisions: (i) Administration, (ii) Field Services, (iii) Planning, Evaluation and Monitoring, (iv) Finance, Accounts and Auditing, and (v) Training. Each division is headed by one Director, who is assisted by Joint, Deputy and Assistant Directors, as well as supporting staff members. Rural Development Officers are responsible for implementing the BRDB programs on the ground, at District and Upazila levels.

(8) Department of Cooperatives (DOC)

(a) Function

DOC is responsible for facilitating economic growth and poverty reduction. The major tasks of DOC are categorized into four areas: statutory, judicial, developmental and promotional. The statutory responsibilities include registration, liquidation of defunct societies, annual audits, periodic inspection and enquiry of cooperatives and societies. The judicial role refers to settlement of disputes arising from the operations of cooperatives. The developmental work includes education and training for management capacity and business skill building, advisory services and assistance on financial matters. The promotional responsibilities encompass influencing other departments in the government to secure support for cooperatives from public agencies. DOC has a total of some 4,900 officers and staff members.

(b) Structure

Figure 3.2.5 below shows the organizational chart of DOC. DOC has offices at District and Upazila levels, which allows cooperatives to register and receive services at the local level.

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[25] For details of these programs, http://www.brdb.gov.bd/poverty_all.htm
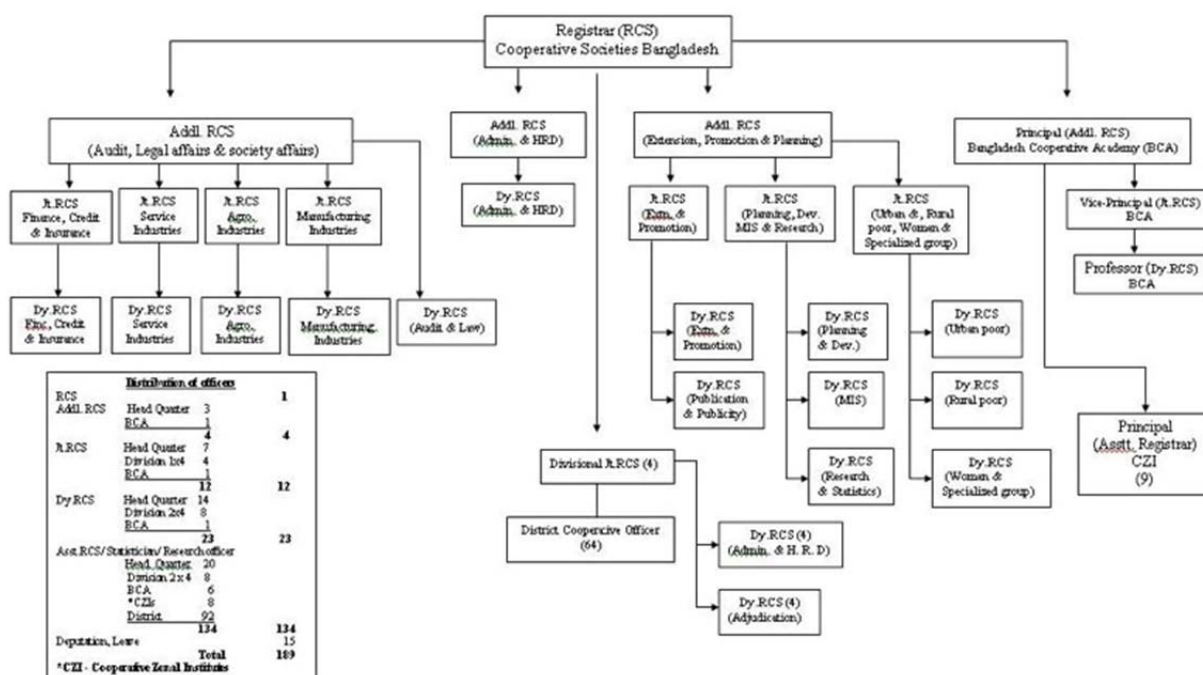
Source: DOC webpage

Figure 3.3.5   Organizational Chart of DOC

(9)   Palli Daridro Bimochon Foundation (PDBF) (Foundation for Alleviation of Rural Poverty)[26]

(a)   Function

PDBF proudly announces on their webpage that they are "one of the leading government-sector Microfinance Institutions in Bangladesh."   Created in 1999, PDBF aims to alleviate poverty and promote socio-economic development of the poor and disadvantaged people by assisting members by the following:

- providing skills training for income generation;
- providing saving and credit services;
- providing social development and awareness training for empowerment; and
- promoting gender equity.

PDBF operates in 351 Upazilas in 30 Districts, providing micro-finance loans along with Small Enterprise Loans (SEL) to enhance the economic capacity of rural disadvantaged peoples.   PDBF also provides loans for particular programs, like the Solar Program, which helps to meet the targets under the Millennium Development Goals (MDGs).   As of June 2014, PDBF's cumulative loan disbursements have reached BDT 66.56 billion, while loans outstanding total BDT 4,180 million, with total savings of BDT 2.89 billion, from loans involving some 700 thousands borrowers.

(b)   Structure

PDBF has four Divisions, namely Managing Director's Division, Field Operation Division, Financial Division and Human Resources Division.

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[26]   PDBF webpage, http://www.pdbf.gov.bd/

(c) Budget

According to the Government Mid-Term Expenditure review, BDT 460 million is secured for PDBF for FY 2014-15.

3.3.2. Local Government Institutions

Bangladesh has a three-layer local government system: there are Union Parishads as the lowest level of the local government in rural areas, with Upazila Parishads as the middle level, and District Parishads on top, as shown in Figure 3.3.6.
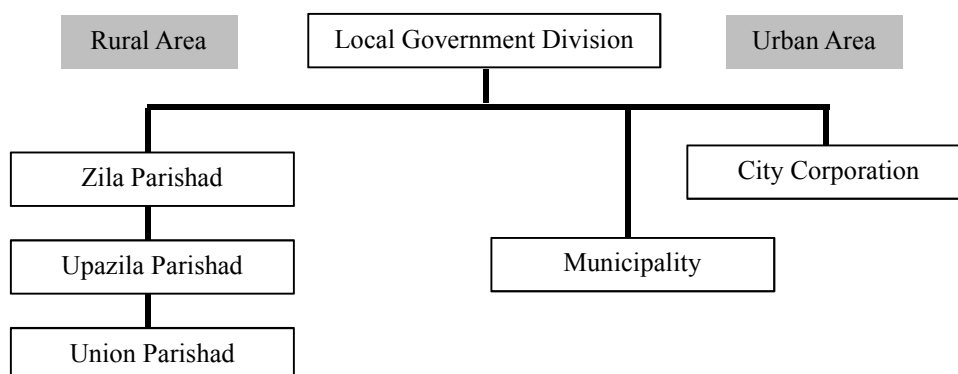
Source: JICA Study Team (based on LGD's presentation material)

Figure 3.3.6 Local Government Institutions in Bangladesh

According to the Bangladesh Government webpage, there are 64 Districts (Zilas)[27] in 7 Divisions, 488 Upazila Parishads, 4,550 Union Parishads, [28] 11 City Corporations, and 315 Municipalities (Pourashavas)[29] in Bangladesh as of January 28, 2015.   However, the numbers of LGIs are constantly changing, and the JICA Study Team identified that the most recent number of the Upazila Parishad is 489 and Municipalities is 319.   These numbers are used throughout this Report.

(1) Divisions[30]

Bangladesh is divided into seven administrative regions called Divisions, namely the Divisions of Barisal, Chittagong, Dhaka, Khulna, Rajshahi, Rangpur and Sylhet.   However, the Divisions themselves are not recognized as LGIs in Bangladesh.   The Division is headed by Divisional Commissioner.   The major duties of the Divisional Commissioner include monitoring, coordinating and supervising the implementation of policy decisions initiated by the local government institutions in her/his Division.

The Director, Local Government (DLG) is stationed at the Divisional Commissioner Office and oversees all the programs/projects funded by the development partners.   DLG receives reports from DDLG.   In addition, recently revised "Upazila Development Fund Using Guideline" stipulates that DLG should visit at least three Upazilas for monitoring.

Director, Local Government (DLG): Terms of Reference

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[27]   There also are three hill districts (Khagrachari, Rangamati, and Bandarban) in Bangladesh.   However, unlike other Districts, they do not have Zila Parishad.   Instead, they have Hill District Council.

[28]   Bangladesh Government Portal Site, http://www.bangladesh.gov.bd/?q=en

[29]   LGD webpage, http://www.lgd.gov.bd/

[30]   Ministry of Public Administration website, http://www.mopa.gov.bd/index.php?option=com_content&task=view&id=365&Itemid=403

1. Inspecting and coordinating all field level activities by the organizations and the projects under Local Government Division

2. Inspecting the Zila Parishads, DDLG Office at the Deputy Commissioner's Office, Upazila Parishads, Union Parishads and Municipalities every month and submitting reports on the inspections to the Local Government Division

3. Regular inspection, evaluation and report submission to the Local Government Division on the progress of activities of the currently implementing projects

4. Inspecting and monitoring the developmental activities of the Local Government Engineering Department, Department of Public Health, WASA and other organizations and submitting reports on the findings to the Local Government Division

5. Inspecting the development activities of the City Corporations and submitting reports on the inspections to the Local Government Division

6. Presenting the Zila Parishad Yearly Schedule to the Commissioner for signing upon evaluation

7. Sending the proposition of forming new Upazilas to the Local Government Division upon receiving approval from the Commissioner

8. Presenting the propositions of leasing inter district Ferry Ghats owned by the Zila Parishads to the Commissioners

9. Reviewing audit discords of the offices and sending them to the Local Government Division upon receiving advice from the Commissioner

10. Supervising the provision of supplies and Uniforms to the Village Police

11. Supervising the inter-district transfers of the drivers of Local Government Division

12. Arranging quarterly meetings with the Chief Executive Officer chaired by the Commissioner

13. Performing the duties assigned by the Election Commission upon informing the Commissioner

14. Sending the TA Bill and leave application Director and Chief Executive Officer of Zila Parishad and DDLG to the Local Government Division for Grant

15. Signing the ACRs of the Secretaries of Zila Parishad and Chief Executive Officer and sending the Chief Executive Officers to the Commissioners for signing

16. Signing the ACRs of DDLGs, Local Government (however, if DDLGs of Local Government are Senior to the respective Deputy Commissioner by batch, Director of Local Government will sign the ACRs of DDLG

17. Signing the ACR of DDLG working at the Commissioner's Office and sending it to the Commissioner

18. Supervising the inter-district transfer, promotion, selection grade and provision of time scale, etc.

19. Supervising the Birth and Death Registration activities of the Union Parishads, Municipalities and City Corporations and reporting to the Local Government Division

20. Investigating the complaints against the 2nd and 3rd Class Mayors of Municipalities and writing to the Local Government Division through the Commissioner for taking necessary actions

21. Acting as the "Leave Approving Authority" for the Recreation Leave of the 2nd, 3rd and 4th Class employees of DLG Office

22. Taking necessary actions and arranging trainings for the capacity building of the Officials of the Local Government office

23. Sending reports on Socio-economic development and potentials of the respective areas to the Local Government Division through the Commissioner

24. Performing duties assigned by the Authority from time to time

Source: LGD Memorandum, No. 46.099.015.01.00.002.2010-79

(2)   Zila (District) Parishads

The Zila Parishads are the highest tier of the LGIs.   The Zila Parishad Act 2000 provides the legal framework and constitution for the Zila Parishads.   It stipulates that a Zila Parishad consists of a chairperson, 15 open seats, and five additional women's reserved seats.   However, the election of the Zila Parishad has not been held for some time, and the Zila Parishads are not functioning.   At the Zila Parishad Office, there is Chief Executive Officer,[31] who is sent from the Ministry of Public Administration and takes lead in administrative work, including financial management, with the Zila employees.
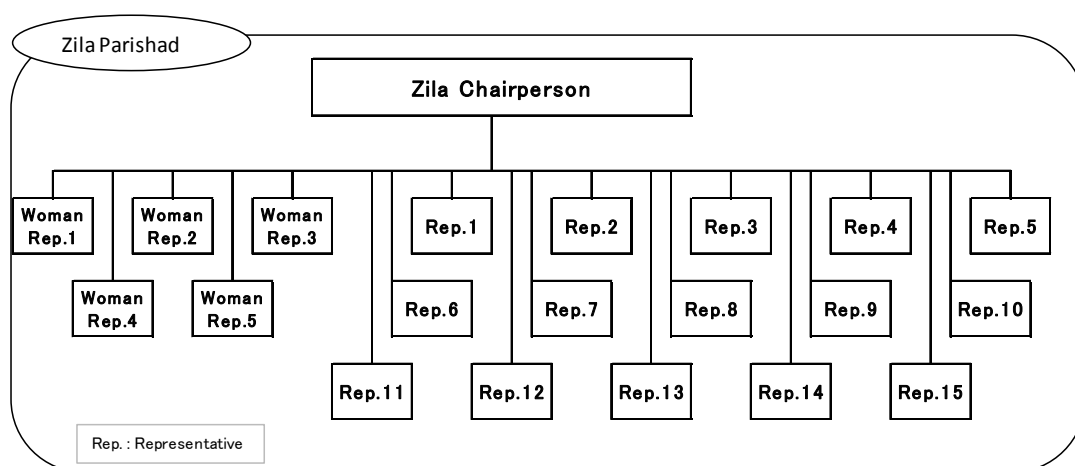
Source: JICA Study Team

Figure 3.3.7   Structure of a Zila Parishad

On the administrative side, the head of the Zila level is the Deputy Commissioner (DC),[32] who is in charge of the whole of District administration matters as well as law and order.   S/he supervises NBD officers and chairs the District Development Coordination Committee Meetings (DDCCM) at the Deputy Commissioner's Office, where all operational matters at the District level are discussed.   The Deputy Director, Local Government (DDLG) is sent from the Local Government Division to assist the DC as a member secretary of DDCCM.   The DDLG position was revitalized and upgraded for the implementation of the Local Governance Support Program in 2003; however, now s/he supervises all development activities undertaken by the Pourashavas and Upazilas within the District.

In addition to this structure, the government has set up a position, the District Administrator, who is responsible for the whole of Zila operations, including administrative matters.   This is a politically appointed position temporarily substituted for the Zila Parishad Chairperson.   However, as the DCs are historically highly recognized and well established at Zila level, the District Administrators still keep low profile.

Deputy Director, Local Government (DDLG): Terms of Reference

1.   Inspecting, coordinating and supervising all field level activities by the organizations and the projects under Local Government Division and sending reports to the Director of Local Government and the Local Government Division

2.   Inspecting the Upazila Parishads, Union Parishads and 2nd and 3rd Class Municipalities every month and sending reports to the Director of Local Government, and reviewing monthly coordination meetings of the Union Parishads and Municipalities, providing suggestions and taking

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[31]   Deputy Secretary level Administration Cadre.
[32]   Deputy Secretary level Administration Cadre from the Ministry of Public Administration.

necessary actions

3. Inspecting the development activities implemented under Local Government Division and sending the inspection and monitoring report to the Local Government Division

4. Inspecting the implementing and monitoring the developmental activities of the Local Government Engineering Department, Department of Public Health, WASA and other organizations and submitting reports on the findings to the Local Government Division

5. Providing pay scales and honorarium to the officials and employees

6. Collection and provision of supplies and Uniforms to the Village Police under the regulations of PPA 2006 and PPR 2008

7. Supervising and implementing the appointment, transfer, time scale, earned leaves, recreation leaves advanced withdrawal from general fund etc. of the UP Secretaries and members upon approval from the Deputy Commissioner

8. Investigating the complaints against the UP Chairmen and Secretaries and writing to the Deputy Commissioner for taking necessary actions

9. Presenting and petitioning Financial and Administrative proposals from the UPs to the Deputy Commissioner

10. Evaluating Municipalities yearly Activities Report and sending it to the Deputy Commissioner for approval

11. Acting as the "Leave Approving Authority" for the Recreation Leave of the 3rd and 4th Class employees of DDLG Office

12. Arranging quarterly meetings with the Ups chaired by the Deputy Commissioner

13. Coordinating training activities of the Local Government Organizations

14. Supervising and visiting the Union Level Government Online Birth and Death Registration Activities

15. Visiting and monitoring the UISC and providing necessary technical and training support

16. Acting as the Member Secretary of District Development Coordination Committee and performing duties regarding this

17. Supervising the activities of Hat and Bazars of Upazila Parishads and Municipalities

18. Supervising the birth and death registration of all the Unions and Municipalities of the district

19. Processing the papers of UP Chairmen's temporary dismissals and overseas leaves

20. Acting as the Secretary Member of the transferred inter Upazila Kheyaghat leasing committee

21. Sending reports on Socio-economic development, potentials and sudden/regular issues of the respective areas to the Local Government Division through the Commissioner

22. Working under the supervision of Deputy Commissioner

23. Performing duties assigned by the Authority from time to time

Source: LGD Memorandum, No. 46.099.015.01.00.002.2010-79

(3) Upazila Parishads

(a) Upazila Parishad Structure

An Upazila Parishad consists of a Chairperson and two Vice-Chairpersons (one is reserved for a woman) elected by the voters in the Upazila including Pourashava dwellers. Other Parishad members are the Chairpersons of the Union Parishads, the mayors of the Pourashavas (if any) located within the Upazila jurisdiction, and female members to be selected from among the Union or Pourashava Parishad female members. According to the Upazila Parishad Act, the Parishad members have voting right at the Parishad meetings in the decision-making process. The term of the Parishad Chairperson and

Vice-Chairpersons is five years. In practice, though, the positions reserved for female members remain vacant in most Upazila Parishads. The structure of an Upazila Parishad is shown in Figure 3.3.8 below.
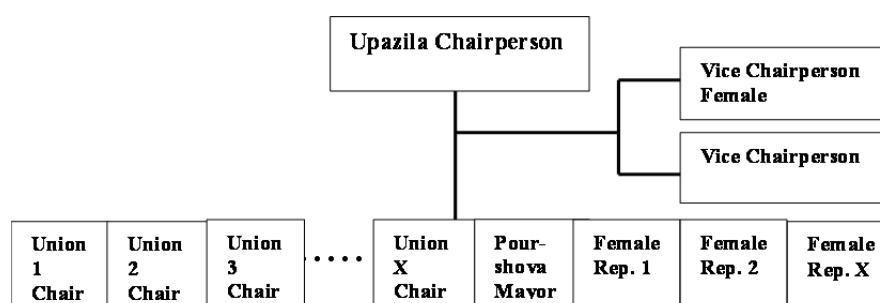
Figure 3.3.8   Structure of an Upazila Parishad

(b)   Upazila Parishad Actors

Under the LGD's Ordinance No 85, 2010, Upazila Chairperson is given great responsibilities. The Chairperson is given higher status and greater powers than any other actor inside the Upazila Parishad. S/he is responsible for daily administration, initiation of projects and programs, chairing meetings, assigning tasks to Upazila personnel, overseeing NBDs, and others. All the operational matters of the Upazila require her/his approval, and s/he can approve licenses and permits for businesses and professions certified by Upazilas, and can also manage police cases for the Upazila. As for the Vice Chairpersons, their most important task is to chair the standing committees and to play a leadership role in certain sectoral issues. The Standing Committees are to be set up for the smooth execution of sectoral activities. The Upazila Parishad is directed to form 17 standing committees[33] on different issues and to have regular meetings in order to discuss inputs for development plans. However, in reality, very few Standing Committees are functioning within each Upazila Parishad. The findings of a sample study show that 59% of the sample Upazila Parishads have set up Standing Committees, but the majority had only one meeting per year though they should meet bi-monthly according to the regulation.[34] The Vice Chairpersons' power and influence within the Upazila Parishad is not very clear. According to the literature,[35] the majority of the Chairpersons were former Union Parishad Chairpersons, and both Chairpersons and Vice Chairpersons are middle-aged and older, and most of them have strong political party backgrounds.

The members are the Chairperson of the Unions and Mayors of Pourashavas in its jurisdiction. They are the majority of the Upazila Parishad members and could affect decisions of the Upazila Parishad. As stated in Section 3.1, it is considered that their main interest is to seek benefit for their respective Unions over the entire Upazila. Therefore, it is not easy to reach agreement on development and resource allocation for the entire Upazila with this member composition. Some new members who could make impartial decisions for the entire upazila may need to be added in the future.

In addition to these Parishad members, there are actors who influence or work at the Upazila Parishad. The most influential actors among them are the local Members of the Parliament (MP). In the Upazila Parishad Act, the local MP is defined as advisor to the Upazila Parishad. However, it seems a common

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[33] They are 1) Law and Order; 2) Communication and Physical Infrastructure Development; 3) Agriculture and Irrigation; 4) Secondary and Madrasa Education; 5) Primary and Mass Education; 6) Health and Family Welfare; 7) Youth and Sports Development; 8) Women and Children Development; 9) Social Welfare; 10) Freedom Fighters; 11) Fisheries and Livestock; 12) Rural Development and Cooperatives; 13) Culture; 14) Environment and Forestry; 15) Market Price Observation, Monitoring and Control; 16) Finance, Budget, Planning and Local Resource Mobilization; and 17) Public Health, Sanitation and Pure Drinking Water Supply.
[34] LGD, 2013, "Baseline Survey Report on Upazila Governance in Bangladesh."
[35] UNDP, 2011, "Background, Perceptions and Performance of UZPs in Bangladesh."

practice that the MP acts as more than an advisor, influencing decisions made at the Upazila level, especially in the areas of allocation of resources and development projects. The MP also has her/his own financial resources to be used mainly for rural infrastructure projects within their constituency. These financial resources seem massive, in comparison to the Upazila's own financial resources and even ADP.[36] Therefore, the MP may be the most powerful actor for Upazila Parishad operations.

Another key actor is the Upazila Nirbahi Officer (UNO), who manages the Upazila Parishad as the chief executive officer. UNOs are elite Bangladesh Civil Service officers called Administration Cadre of the Assistant Secretary level,[37] temporarily transferred from the Ministry of Public Administration to the Upazila. Great responsibility is given to UNO, and his/her capacity and enthusiasm together with the Chairperson's, greatly affect the effectiveness of the Upazila Parishad's operations.

In addition to the UNO, there are officers who are transferred from the line departments to the Upazilas, called Nation Building Department (NBD) officers. Their main role is to implement development activities of specialized sectors for the Upazila Parishad. Based on the Upazila Parishad Act, there are 17 NBD officers and her/his subordinates from 12 Ministries, including the UNO, from: 1) Ministry of Youth and Sports; 2) Ministry of Public Administration; 3) Ministry of Fisheries and Livestock; 4) Ministry of Health and Family Welfare; 5) Ministry of Women and Children's Affairs; 6) Ministry of Primary and Mass Education; 7) Ministry of Local Government, Rural Development and Cooperatives; 8) Ministry of Agriculture; 9) Ministry of Disaster Management and Relief; 10) Ministry of Social Welfare; 11) Ministry of Environment and Forestry; and 12) Ministry of Education.

Among NBD officers, the officer from LGED of MLGRD&C (Upazila Engineer) has a crucial role in the Upazila. Most of the development work, especially in infrastructure development (not only roads but also other rural infrastructure, including schools and hospitals) is implemented by LGED. In addition, the budget that comes from the LGED headquarters through its District office is the largest among these NBDs', which usually further exceeds the ADP amount that the Upazila receives.[38] In the utilization of the ADP, Upazila Engineer is the member secretary of the Project Selection Committee and Tender Committee of the Upazila Parishad. In accordance with his/her important role and large budget in Upazila development activities, he/she enjoys greater status compared to other NBDs in the Upazila Parishad.

These NBD officers are transferred to the Upazila Parishad and overseen by the Upazila Chairperson.[39] However, in reality, the Upazila Chairperson does not have authority over personnel issues such as promotion, relocation and remunerations regarding NBD officers, and most of the budget decisions and directions for their activities usually come from the respective central government line ministries where "they truly belong." Under this circumstance, NBD officers themselves are sometimes confused, although their terms of reference are stated in the LGD notification.[40] In the current situation, the Upazila Parishads have to depend on the NBD officers to implement sectoral work in a coordinated manner; however, there are issues that have prevented this from being fully realized.

One of other actors notable here is Assistant Commissioner of the Ministry of Land, called "AC Land," who is in charge of land issues and law and order as well as taking care of disputes as the magistrate in the Upazila jurisdiction. Although this position is supposed to assist UNO with general Upazila operations, it usually is not the case, as s/he is busy and has limited capacity, or the position itself is

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[36] Annual Development Program (ADP) refers to a list of development projects to be implemented and the financial allocations (transfers) for a particular fiscal year.

[37] Bangladesh Civil Service (BCS) is the elite civil service of the Government of Bangladesh. The BCS is structured vertically into four classes: class-I to class-IV, based on the levels of responsibilities and educational qualifications. Among professional class I, a very small number of civil servants belong to the cadre service. BCS has 28 cadre services, and Admin. cadre is one of them. Wherever they temporarily work, their solidarity seems very strong.

[38] At the Kalihathi Upazila in the Tangail District, the annual budget for LGED is BDT 300 million, while the average ADP per Upazila is about BDT 5 – 7 million, according to the Upazila Engineer.

[39] This does not apply to the three Districts in the Chittagong Hill Tracts where NBDs have been transferred to Districts.

[40] Memorandum no-LGD/Upa-2/C-4/2009/1422, 17.06. 2010.

often vacant in many Upazilas.[41]   Another actor is "AC Finance."   This officer is also sent from the central government to take care of finance-related matters at the Upazila Parishad; however, currently no AC Finance officers have been sent to the Upazilas.[42]

These actors, based on the Upazila Parishad Act, do not have voting right in the Upazila Parishad's decision-making process; they give only advice and opinions to the Parishad members.   However, in reality, each actor influences the operations and decisions of the Upazila Parishad in unique ways.   The power conflict between the Chairperson and MP, Chairperson and UNO, or UNO and NBDs were observed and are affecting the efficiency and effectiveness of Upazila Parishad operations.   To what degree these relationships among Upazila actors affect its operations, and in what manner, is one of the key issues relevant to designing the Project.

(c)   Functions[43]

The main role of the Upazila Parishad is to ensure law and order within its jurisdiction and to carry out development activities for the overall benefit of the Upazila.   The functions of the Upazila Parishad defined in the Upazila Parishad Act 1998 (amended in 2009 and 2011) are as follows:

1. Preparation of Five-Year Plan and other development plans.
2. Implementation of the activities of different Government agencies that are transferred to the Upazila Parishad, and supervision and coordination of the activities of those agencies.
3. Construction, repair and maintenance of inter-Union connecting roads.
4. Adaptation and implementation of small-scale irrigation projects, according to the instructions of the Government to ensure best utilization of surface water.
5. Ensuring services for public health, nutrition and family planning.
6. Improvement of sanitation and sewerage systems and adaptation of proper measures for supply of safe drinking water.
7. (a) Providing motivation and support for extension of education at the Upazila level.   (b) Providing supervision and support to concerned institutions with a view to improve secondary education and madrasa education systems.
8. Undertaking activities to establish and develop small and cottage industries.
9. Supporting activities of cooperative societies and non-governmental voluntary institutions and coordinating their functions.
10. Cooperating and implementing the activities related to women, children, social welfare and youth, sports and cultural activities.
11. Undertaking activities for the improvement of agriculture, livestock, fisheries and forestry and for their implementation.
12. Reviewing the entire law and order situation in the Upazila, and submitting reports to the District law and order committee and higher authorities on a regular basis.
13. Adaptation and implementation of programs for creating self-employment and poverty reduction, and providing necessary assistance to the Government in the region.
14. Coordinating and monitoring Union Parishad development activities and providing necessary support for them.
15. Creation of the people's sensitivity against offences like women's and child abuse, including taking preventive measures.
16. Creation of the people's opinion against terrorism, theft, robbery, smuggling, drug abuse, as well as taking preventive activities.
17. Undertaking social forestry and other programs for environmental conservation and

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[41]   According to information from the Ministry of Land, AC Land Officer is stationed at only 60% of Upazilas.
[42]   In order to strengthen the financial management aspect of Upazila Parishad operation, LGD has a plan to set up the Finance Section in LGD and recruit two Assistant Accounts Officers who assist the AC Finance at each Upazila.   The progress of the plan is not clear at the time of writing this report.
[43]   Memorandum No.46.046.026.00.00.002.(1)-1999-600, 24 November, 2011, Ministry of Local Government, Rural Development and Cooperatives, Local Government Division.

improvement.

18. Coordination of all activities relating to disaster management.
19. Extending cooperation to other organizations implementing similar programs, such as the Upazila Parishad.
20. Introducing and encouraging e-governance.
21. Performing other functions as the Government assigns from time to time.

The Upazila is given a wide range of functions concerning both administration and legislation. Among them, some are to be undertaken by NBDs, although the Upazila Parishad Act does not clearly separate the role of the Parishad from the actual operational work. It may be affecting the Upazila Parishads' effectiveness in local governance.

(d)   Five-year plan and annual plan

As listed as the very first item in the Second Schedule in the Upazila Parishad Act, the Upazilas must prepare the five-year development plan and other development plans, including the annual plan. The five-year plan ought to identify development goals and strategies as well as programs and projects that the Upazila will achieve over the next five years. However, information from the field shows that not many Upazilas have formulated their five-year plans. Results of the UZGP baseline study conducted in 2013 indicate that only three out of 42 Upazilas had developed their five-year plan by that time. The reasons for this include not having the needed skills, time, resources and references.

In last few years, UZGP has been providing the Upazila Parishads' main actors with training courses that enable them to effectively undertake the functions listed in the Second Schedule. One of these training courses is focused on the preparation of the Upazila plans, including the five-year development plan and annual plan. Taking advantage of these training occasions, some of the Upazilas have created their very first five-year plan.

LGD recently issued the "Planning and Implementation Guideline for LGIs," in which the contents of the five-year plans and other plans as well as the procedure of identifying these plans are instructed. It will help Upazila Parishads to prepare their development plans in the future.

As for the annual plan, about a half of the Upazilas have prepared one, though it is not a development plan *per se*, but rather a listing of the projects that Union Parishads intend to implement.

(e)   Budget

Budget preparation and approval are specified in the LGD Ordinance No. 226, 2010. The Upazila budget consists of two categories: the Revenue Budget and the Development Budget. The Revenue Budget is used for recurrent expenditures, including salaries and allowances of the Upazila Chairperson, Vice Chairperson and employees,[44] and for the operational and maintenance expenses of the Upazila Parishad. According to the Upazila Parishad Act, the Upazila Parishad has to establish an account called "Parishad Fund," and the items included in the Revenue Budget are to be deposited into this Parishad Fund. The main sources of the Revenue Budget of the Upazila are the transfers from the government, local donations, and fees and taxes collected by the Upazila. See Table 3.3.7 for possible sources of Upazila internal revenue. At the end of each fiscal year, unused funds in the Revenue Budget are kept at the Upazila Parishad and utilized for the Development Budget for the next fiscal year.

The other category, the Development Budget, is used for development-related activities and programs. The main source of the Development Budget is the inter-governmental transfers called the Annual Development Program (ADP).[45] ADP is remitted quarterly to the Upazila account, and the amount is

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[44]   Upazila employees include a typist-cum-computer operator, a driver, and four members of lower supporting staff.
[45]   Annual Development Program (ADP) refers to a list of development projects to be implemented and the financial allocations (transfers) for a particular fiscal year.

determined based on the Upazila's population, area, and other factors, and only a very small portion is determined based on the Upazila's performance. According to the LGD's record, the average amount of annual ADP per Upazila in 2013 was about BDT 5 to 7 million. According to LGD, the installation of the ADP is not delayed in recent years, although the execution rate remains low. More details regarding the Upazila Finance, including Budget and Revenue issues, are discussed in Section 3.4: System of Public Financial Management.

Table 3.3.7   Possible Sources of Upazila Internal Revenue

> ***Upazila Internal Revenue***
>
> Upazila Parishads are given powers to generate their own income from the following:
> - fees or lease money on government determined haat-bazaars, lake palaces (Jalamahals), ferry stations;
> - taxes on trade, business institutions and industries;
> - taxes on cinema halls, theaters and entertainment;
> - taxes on street lighting;
> - fees on privately arranged fairs and exhibitions;
> - fees on services provided by the Parishad;
> - 2% of land development taxes and 1% of land registration fees collected by the Parishad; and
> - Income from other sources and taxes, tolls, and fees collected by the Parishad as prescribed by the government from time to time.

Source: The Upazila Parishad Act 1998 (amended in 2011)

The budget summary for 2014-15 of the Tangail Sadar Upazila Parishad, Tangail District, is shown in Table 3.3.8 as an example.

Table 3.3.8   Tangail Sadar Upazila Parishad's Budget Summary for 2014-15

Tangail Sadar Upazila Parishad 2014-15 Fiscal Year Budget			
Form: A			
Budget Summary			
			(Unit:BDT)
Description	Actual Income and Expenditure of Last Year (2012-13)	Amended Budget of Running Year (2013-14)	Tentative Budget of Next Year (2014-15)
Part 1			
Received from Revenue	12,686,154.00	32,622,627.00	37,700,000.00
Revenue			
Grant			
Total Received	12,686,154.00	32,622,627.00	37,700,000.00
Exclude Revenue Income	10,185,989.00	20,161,223.00	35,889,520.00
Revenue Surplus/ Shortage	2,500,165.00	12,461,223.00	1,810,480.00
Part 2			
Development Account			
Development Grant (ADP)	9,468,000.00	10,049,401.00	16,100,000.00
Other Grant and Donation (ADP)			
Total (B)	9,468,000.00	10,049,401.00	16,100,000.00
Total Receivede Asset A + B	11,968,165.00	22,510,805.00	17,910,480.00
Exclude Development Expenditure	9,480,386.00	7,568,000.00	9,100,000.00
Total Budget Surplus/ Shortage	248,779.00	14,942,805.00	8,810,480.00
Include Previous Account (1 July)			
Closing Balance	248,779.00	14,942,805.00	8,810,480.00

Source: JICA Study Team (collected in the field study)

(f)   Upazila Meetings and Decision Making Process in the Upazila Parishad

The Upazila Parishad should have meetings, at least once a month, in which following matters are to be discussed:

> *Finance* - Parishad Fund, fees and taxes, budget, expenditures, investment, audit, etc.;
> *Development* – five-year development plans, annual plans, planning, implementation, monitoring and evaluation of the programs and projects, etc.;
> *Operation* - human resource issues, setting up of Standing Committees, recommendation from the Standing Committees, etc.;
> *Coordination* - monthly and quarterly reviews on development activities by NBDs and NGOs within Upazila, etc.; and
> *Miscellaneous* - Any other issues.

Although all the related officers and committee members of the Upazila are required to attend these Upazila meetings,[46] the decision-making power is given only to the Parishad members: Upazila Chairperson, Vice Chairpersons, and Chairpersons of the Union Parishads and the mayors of the Pourashavas (if any) in the Upazila jurisdiction and female members.   The Ordinance of Upazila Parishad (activity implementation) 2010 and its amendment in 2010 instruct that decisions in the meeting should be made by a majority vote, with attendance of more than a half of Parishad members. The decisions made at these meetings are recorded and the progress is monitored by UNO, while the record is sent to the District Commissioner and the Members of the Parliament.

However, in practice, voting rarely takes place at the meetings.   According to the interviews, the discussions are often dominated by the most influential persons, and decisions are made which favor these persons' opinions.   Sometimes such decisions are made outside of the formal meetings.[47]

The decisions made are to be executed by the Upazila Parishad.   The commands and approvals are signed by the Chairperson, UNO or respective officers.   The Upazila Fund, in particular, is jointly managed by both the Chairperson and UNO, as the ordinance stipulates.   In practice, most of the paperwork for approval, besides financial matters, is signed by UNO.

Besides monthly Upazila Parishads Meetings, other need-based, committee- or sector-based meetings are held at the Upazila Parishads, being participated by the related Parishad members, NBD officers, community leaders, women representatives, NGO/CBO staff members, etc.

(g)   Planning Development Projects

The Upazilas Parishads are involved in planning and implementing a large number of various development projects.   Many of the development programs and projects implemented within the Upazila are planned and budgeted by the respective NBDs at the central level, and coordinated and executed by the Upazila NBD officers.   In general, the Upazila Parishad does not have much influence on these projects.   The NBD offices at the Upazila Parishad are involved in selecting project sites and beneficiaries.   In most cases, the departmental committees headed by UNO are responsible for the decision-making.

Other projects are implemented by utilizing ADP, local donations, revenue surplus, etc.   "The Upazila Parishad Development Fund Using Guideline" that came into effect on November 10, 2014, as the "Memo no. 46.046.018.00.00.054.2013-1068" instructs the Upazila Parishad how the programs and projects are to be planned, and how the resources -- ADP and others -- are to be used and how these programs and projects are to be selected and implemented.   The following figure shows how the ADP projects are to be selected at the Upazila level.

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[46]   According to the UZGP baseline survey in 2012, NBD officers attend the Upazila Parishad meetings in only 43 % of sample Upazila Parishads.
[47]   The JICA Study Team field study and various documents including UZGP Baseline Report, 2013.
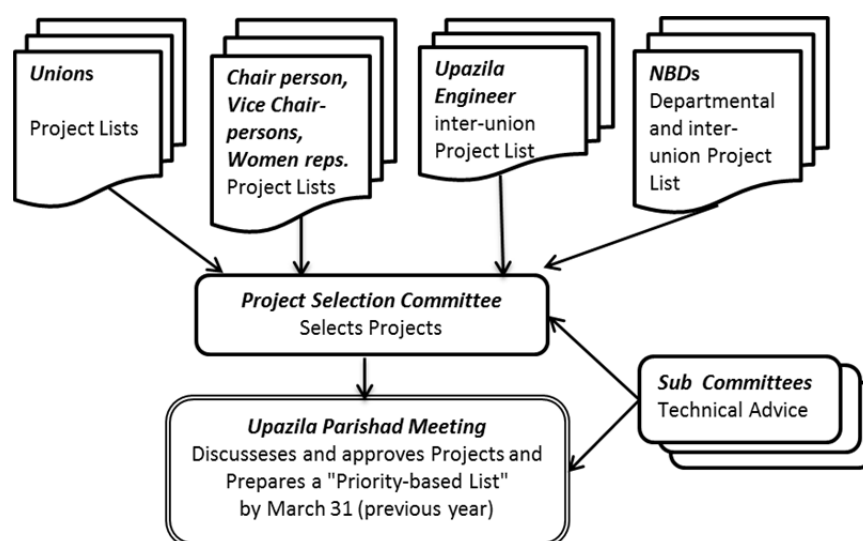
Figure 3.3.9   Project Selection Process at Upazila Level

<Upazila Development Projects Selection Procedure>

1) Upazila Chairperson, Vice Chairpersons, female members submit "popular projects" to Upazila Parishad.

2) The head of NBDs prepare and submit their departmental as well as trans-union projects to Upazila Parishad.

3) Union Parishad Chairperson submits Union projects to Upazila Parishad.

4) The Selection Committee selects the projects received from Unions, Upazila Chairperson, Vice Chairpersons, female representatives, and send the list to the Upazila Parishad meeting.

5) Beside this, the Upazila Engineer or related divisional heads send inter-union projects to the Selection Committee. After the selection, the Selection Committee sends the project list to Upazila Parishad for the final approval.

6) Based on the recommendation of the Selection Committee, Upazila Parishad approves the projects to be implemented. These projects have to be approved through discussions at Upazila Parishad meeting.

7) For proper examination and technical analysis of the project, if needed, Upazila Parishad can create a sub-committee.

8) Upazila Parishads prepare a priority basis list of projects by March 31 of previous year.

The members of the Selection Committee are as follows:

1	Upazila Parishad Chairperson	Convener
2	Upazila Nirbahi Officer (UNO)	Member
3	Upazila Vice-Chairperson	Member
4	Upazila Vice-Chairman (Female)	Member
5	Upazila Agriculture Officer	Member
6	Upazila Health and Family Welfare Officer	Member
7	Upazila Livestock Officer	Member
8	Upazila Public Health Assistant Engineer	Member
9	Upazila Project Implementation Officer	Member
10	Upazila Education Officer	Member
11	Related UP Chairpersons	Member
12	Upazila Parishad female representatives	Member

13	Upazila Engineer	Member secretary

Ideally, these projects are to be selected considering the Upazila five-year plan created based on the Upazila development priorities and long-term visions.   However, in reality, this is not the case, as only a limited number of Upazila Parishads and Union Parishads have developed a five-year plan. Consequently, many Upazila Parishads stay with the reactive and shortsighted project selection method described below.

<Actual Upazila Development Project Selection Process>

1. Around early September, when the first installation of the ADP is announced by LGD, Upazila Parishads informs Unions of the approximate amount of ADP to be allocated to the Union.[48]

2. Unions prepare and submit a list of projects to be implemented, within their allocation.

3. At the Upazila Selection Committee meeting, the lists submitted by the Unions are discussed and projects to be implemented in the current year are selected.

4. The selected projects are announced at the Upazila Parishad meeting.

5. Based on the Upazila Parishad meeting decision, the Chairperson and UNO sign the necessary documents.

6. The results will be reported to the LGD, DDLG/DC and MP.

(h)   Implementation of the Projects

For the implementation of these projects, the guideline also specifies the modalities.   The Upazila Parishads can implement the projects that cost BDT 200,000 or less by formulating the project implementation committees (PIC) without tender procedures.   The PIC is chaired by one of the Upazila Parishad members, consisting of 7-9 members chosen from the Upazila jurisdiction.   Officers of concerned Upazila NBDs can be members with the approval of the Upazila Parishad.   Project implementation committees are responsible for the entire process of project implementation and accountable to the Upazila Parishad.   The PIC method can be applied up to 30% of the total projects.

On the other hand, projects costing more than BDT 200,000 are implemented through a tender process. Although the guideline explores the possibility of implementing larger scale inter-Union projects, the majority of the projects were Union-based small-scale projects, as shown in Table 3.3.9.   In both cases, the Upazila Engineer plays a prominent role: s/he is involved in designing, signing contracts, monitoring the construction, and ensuring the quality of the projects.

As for monitoring, "Upazila Parishad Development Fund Using Guideline" instructs Upazila Parishads to monitor the progress of ADP/projects implementation and to submit annual reports to LGD as well as to the District Commissioner's office by March 31.   Table 3.3.9 below shows a form of the annual ADP monitoring report.   Interviews with several UNOs by the JICA Study Team suggest that the majority of the Upazilas submit the annual monitoring report, though the quality of the report is questionable.

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[48]   Although the mayors of Pourashavas in an Upazila are included in the members of Upazila Parishad, ADP is not allocated to Pourashavas as they receive ADP allocation through a different line of LGD (Urban).

Table 3.3.9   Example of ADP Projects of Tangail Upazila

(Unit: BDT)

No.	Project Name	Sector	Union	Amount Allocated	Amount Contracted	Implementation Method	Amount Spent	Remaining Amount	Starting Date	Ending Date	Progress %
1	Tubewell installation in Katuli UP's ward no. 8	Infrastructure	Katuli	100,000.00	100,000.00	PIC	100,000.00		06-04-14	22-05-14	100%
2	Building boundary wall around Miahbari Eidgah field in Katuli UP		Katuli	90,000.00	90,000.00	Tender			06-04-14	22-05-14	100%
3	Developing Jameh Mosque road with CC in Mir's Betka North	Housing and Infrastructural Structural Planning	Karatia	217,935.00	217,935.00	Tender			06-04-14	22-05-14	100%
4	Building latrine and toilet near Karatia Land Office		Karatia	100,000.00	100,000.00	Tender			06-04-14	22-05-14	100%
5	Grill fitting in Gharinda UP Office		Gharinda	52,905.00	52,905.00	Tender			06-04-14	22-05-14	100%
6	Building wall around Suruj Bajar		Gharinda	155,000.00	155,000.00	Tender			06-04-14	22-05-14	100%
7	Developing road with CC in Gharina UP Suruj Bajar		Gharinda	143,027.00	143,027.00	Tender			06-04-14	22-05-14	100%
8	Developing road in Hugra UP from Beguntal Bazar to Mirzabari		Hugra	350,000.00	350,000.00	Tender			06-04-14	22-05-14	20%
9	Building wall around Kakua UP Complex		Kakuya	350,000.00	350,000.00	Tender			06-04-14	22-05-14	0%
10	Developing road of Fotehpur in Dainya		Dainya	270,000.00	270,000.00	Tender			06-04-14	22-05-14	20%
11	Developing road in front of Parchar mosque		Gala	100,000.00	100,000.00	Tender			06-04-14	22-05-14	100%
12	Developing Makorekol Eidgah field		Mahmud Nagar	90,000.00	90,000.00	Tender			06-04-14	22-05-14	40%
13	Building wall around Makorekol graveyard		Mahmud Nagar	110,000.00	110,000.00	Tender			06-04-14	22-05-14	10%
14	Building wall around Rashidpur graveyard		Katuli	100,000.00	100,000.00	Tender			06-04-14	22-05-14	100%
15	Developing Alokdia graveyard		Katuli	50,000.00	50,000.00	Tender					100%
16	Developing road from Chouhali to Eidgah		Hugra	200,000.00	200,000.00	Tender			06-04-14	22-05-14	70%
17	Building wall around Charpouli graveyard		Kakuya	150,000.00	150,000.00	Tender			06-04-14	22-05-14	100%
18	Building wall around Rupahi Jatra graveyard		Silimpur	100,000.00	100,000.00	Tender			06-04-14	22-05-14	0%
19	WMA on the road from Beltia Bari to SDS (63350 meter)		Gala	200,000.00	200,000.00	Tender			06-04-14	22-05-14	20%
20	Building wall around Baghil UP		Baghil	250,000.00	250,000.00	Tender			06-04-14	22-05-14	100%
21	Building wall around Baghil UP		Baghil	100,000.00	100,000.00	Quotation			06-04-14	22-05-14	50%
	Sub-total			**3,278,867.00**	**3,278,867.00**						

Source: JICA Study Team (collected in the field study)

(i)   Coordination with the Zila Level

NBD officers have their own command and reporting lines to the respective District-level Ministry and Department Offices regarding the implementation of their ministerial or departmental programs.   The information gathered from the Upazila level is discussed at the monthly District Development Coordination Committee Meeting (DDCCM), where UNO and Upazila Parishad Chairperson participate. In addition to DDCCM, some UNOs occasionally report to DDLG to discuss specific issues and progress of the donor-funded projects.   The coordination and information flow between District and Upazila levels, especially with regard to operational aspects, seems effective in practice.

(j)   Coordination with the Union Level

As described in Section 3.1, the Upazila Parishad has an organic relationship with the Union Parishads in terms of the member composition.   The members of the Upazila Parishad, except the Chairperson and Vice Chairpersons, are comprised of the chairpersons of the Union Parishads and the mayors of the Pourashavas (if any) within the Upazila jurisdiction.   Therefore, the coordination with the Union level is relatively good.   However, they tend not to think about the benefit of Upazila as a whole, but rather seek to benefit only their respective Unions.   Therefore, with this decision-making member composition, there are limitations in terms of making fair decisions for overall Upazila development or resource allocations.   One UNO shared her failed experience of seeking implementation of large-scale projects for the Upazila using ADP fund.   The Union chairpersons vehemently disagreed with this suggestion, and the plan was scrapped and the ADP was conventionally divided almost equally to each

Union in the end. In addition, the discussions of the Union Development Coordination Committee Meeting (UDCCM) are reported to UNO, which contribute to recognizing and coordinating among Unions and between Unions and Upazila development needs and issues.

(4) Union Parishads

(a) Union Parishad Structure

The Union Parishad consists of a Chairperson and twelve members. A Union is divided into 9 wards,[49] and one Union member from each ward is elected as its representative. In addition, a female representative is also elected from every three wards, making a total of three female representatives per Union, which are often called "reserved seats."[50] The Union Chairperson is elected from the Union jurisdiction. The election is supposed to take place every five years.

(b) Union Parishad Human Resources

Each Union Parishad has a full-time secretary appointed by the Deputy Commissioner. Apart from the Union Chairperson and members, the secretary is the sole person who takes care of the Union Parishad finances and administration. In order to maintain law and order, the village police called dafadars (1-2) and chowkiders/mahalladers (5-9) are also provisioned. They are also appointed by the Deputy Commissioner on approval of UNO.[51] In addition, 11 field-based officers and extension workers of the central government in the areas of local infrastructure engineering, agriculture, health and family planning, primary and mass education, fishery and livestock, as well as social welfare, are deployed to work for the Union Parishad. They are transferred officers to the Upazila Parishad. The structure of a Union Parishad is shown in Figure 3.3.10 below.
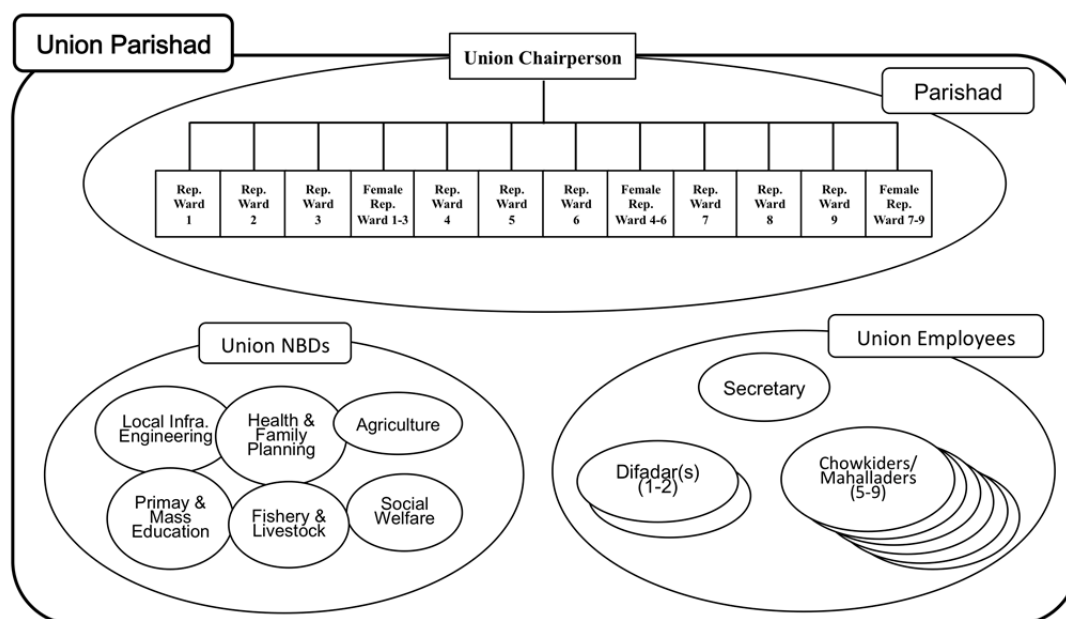
Source: Created by the JICA Study Team based on the Union Parishad Act 2009

Figure 3.3.10   Structure of a Union Parishad

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[49] Wards are administrative units under a Union being set up for the purpose of determining constituency. They are used as units for the distribution of emergency relief and provision of services from the Union.

[50] This does not prevent other ward representatives or the Chairperson from being female.

[51] Khan, n.d. , "Functioning of Local Government (Union Parishad): Legal and Practical Constraints."

(c)   Relationships among Union Parishad Members and Others

The Union Parishad Act tries to ensure legal rights and professional freedom of the officers deployed from the central government and employees under the Parishad by the Code of Conduct regarding relationships between the Parishad members and these personnel.   However, it is not clear whether or not this code of conduct has been prepared by the government.

(d)   Functions

The Union Parishad Act 2009, in its Second Schedule, specifies the functions of the Union Parishad, as follows:

1. Preparation of five-year and various time-limited development plans.
2. Development, protection and maintenance of rural infrastructure.
3. Matters related to education, and primary and mass education.
4. Implementation of activities relating to health and family planning.
5. Undertake necessary measures for development of agriculture, fishery and livestock and other economic development.
6. Undertake necessary measures for epidemic control and disaster management.
7. Assessment and recovering of taxes, fees, tolls, levies, etc.
8. Accomplishment of necessary measures relating to resolution of family conflicts, and women's and children's welfare.
9. Undertake necessary initiatives and provide assistance in games and sports, social development, cultural activities, etc.
10. Undertake necessary measures in environmental development and conservation.
11. Implement responsibility for maintaining law and order as provided by the Government and undertake necessary measures.
12. Registration of births and deaths.
13. Taking care of public places, open spaces, gardens and playgrounds.
14. Lighting the Union Parishad roads and public places.
15. Tree plantation and caretaking and protection of tress from theft and damage.
16. Operation and maintenance of burial grounds, burning places, public meeting places and other Government property.
17. Protection of unauthorized admission to public streets, highways and public places and prevention and abatement of nuisance in those places and their causes.
18. Prevent damages or destruction of public streets and highways.
19. Ensure collection, removal and management of dung and garbage.
20. Regulation of offensive and unsafe trades.
21. Removal and regulation of carcasses of dead animals and regulation of the slaughtering of animals.
22. Regulation of new houses, building construction and reconstruction and matters related to dangerous building structures.
23. Management and maintenance of wells, water pumps, tanks, ponds and other sources of water supply.
24. Preventing contamination of sources of water supply for drinking and prohibition of the use of water of wells, ponds or other sources of water-supply suspected to be dangerous to public health.
25. Prohibition and regulation of bathing, washing of cloths and watering of animals at or near wells for drinking water, ponds or other sources of water supply.
26. Prohibition and regulation of the steeping of hemp, jute or other trees in or near ponds or other sources of water supply.
27. Prohibition and regulation of dyeing or tanning of skins within residential areas.
28. Prohibition and regulation of excavation of earth, stones, or other material within residential areas.
29. Prohibition and regulation of establishment of brick kilns, potteries or other kilns within

residential areas.
30. Undertake necessary measures and provide support to Government to encounter fire, floods, hailstorms, earthquakes or other natural disasters.
31. Preservation of lists of widows, orphans, poor and the destitute and providing assistance to them.
32. Develop and encourage the cooperative movement and rural crafts.
33. Undertake measures for additional food production.
34. Regulation and maintenance of cattle pounds.
35. Provision of first-aid centers.
36. Undertake measures for the security, convenience, or facilities for Union inhabitants.
37. Apply and encourage e-governance.
38. Extend cooperation to other organizations engaged in work similar to the Union Parishad.
39. Any other responsibilities as directed by the Government.

The functions of the Union Parishad are broadly categorized into four kinds; social functions, law and order functions, administrative functions, and development functions.

In general, the capacity of the Union is generally very weak and functions are not necessarily fulfilled by the Union Parishads. Based on the field experience, whether or not the Union Parishad functions effectively depends on the secretary's capacity and activeness, as is the case for UNOs with respect to the Upazila Parishads.

(e)   Union Budget

The Unions' financial resources come from several sources: internal revenue, block grants from the government and the World Bank-supported Local Government Support Project (LGSP) II, and other donor agencies.[52] The government block grant is mainly used to cover the salaries, honorarium and TA&DA[53] of the Union members and employees, office maintenance and operational expenditures, etc. ADP is used for the development purposes. The LGSP II fund is a block grant, with the assistance by the World Bank, provided directly to the Union Parishads for the implementation of development projects. The budget for 2014-15 of the Garinda Union Parishad in Tangail Sadar Upazila, Tangail District, is shown in Table 3.3.10 as an example.

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[52]   564 Unions receive another block grant from the UNDP-funded project UPGP and 200 Unions receive PRDP fund.
[53]   Transportation allowance and daily allowance.

Table 3.3.10   Garinda Union Parishad's Budget Summary for 2014-15

					(Unit: BDT)
2014-15 Financial Year's Proposed Budget					
Sector	**Budget of Next Financial Year**			**Revised Budget of Current Financial Year**	**Actual Money of Previous Financial Year**
	Own Fund	Other Funds	Total: 2014-2015	2013-2014	2012-2013
1	2	3	4	5	6
Preliminary Balance	50,000.00		50,000.00		510,834.00
Cash in Hand	500.00		500.00	500.00	
Savings in Bank	49,500.00		49,500.00	27,500.00	
Total Preliminary Balance	50,000.00		50,000.00	28,000.00	510,834.00
Received					
Tax Collection	250,000.00		250,000.00	400,000.00	216,120.00
License and Permit Fees by UP	40,000.00		40,000.00	30,000.00	35,200.00
Leasing Fee Received	25,000.00		25,000.00	25,000.00	14,417.00
Non-instrumental Vehicle License Fee/ Registration Fees	40,000.00		40,000.00	5,037.00	33,180.00
Revenue from Asset					
Government Grant for Foundation/ Establishment Activities	682,200.00		682,200.00	575,000.00	
Transfer fee of immobile assets 1%	1,300,000.00		1,300,000.00	1,300,000.00	1,099,395.00
Governmental Grant					
LGSP 2	1,500,000.00		1,500,000.00	1,500,000.00	1,384,812.00
ADP	300,000.00		300,000.00		
Other Sources (PRDP 2)	275,000.00		275,000.00	135,963.00	
Others	87,800.00		87,800.00		
Total Received	**4,550,000.00**		**4,550,000.00**	**3,700,000.00**	**3,293,758.00**

Source: JICA Study Team (collected in the field study)

Table 3.3.11 below shows an example of several Unions' revenue sources and their amount (from Fiscal Year 2012-13, revised budget).   It is observed that the LGSP II fund exceeds the ADP allocation amount in all five Unions, and may be playing a significant role in the Union development.

Table 3.3.11　Examples of Some of the Union Revenue (FY2012-13 Revised Budget)

Unit: BDT 1,000

Union	Income from Haat-Bazaar	1% Land Tax	ADP	LGSP II	UPGP	UZGP	Relief Schemes
Lokhpur Union, Fakirhat Upazila, Bagerhat	174	600	1,000	1,029	0	0	3,738
Char Poragacha Union, Ramgati Upazila, Lakshmipur	50	500	500	1,500	0	0	0
Gobindashi Union, Bhuapur Upazila, Tangail	1,300	300	1,000	1,627	0	0	6,500
Sydabad Union, Sirajgonj Sadar Upazila, Sirajgong	5	800	800	1,600	0	0	7,000
Gaurichanna Union, Barguna Sadar Upazila, Barguna	340	365	735	1,600	1,800	500	5,655

*Relief Schemes include, Food for Work, Money for Work, Test Relief, Employment Generation Project for the Poorest, Vulnerable Group Development, Vulnerable Group Funds

Source: Presentation of Horizontal Learning, Union Budget documents, courtesy to DORP Bangladesh

The Unions are obliged to hold an open budget meeting every year.　Before the meeting, the budget is prepared by the Union Parishad and sent to UNO at Upazila for approval.　In the open meeting, participants review the budget and the community representatives ask for clarification of the budget document as well as assert their comments and recommendations.　After the open meeting, some changes may be made in the proposed budget and a final budget is prepared by the Union Parishad.　A study reveals that around 80% of the Unions seem to hold the open budget meeting, although the quality of the budget document is not known.[54]

(f)　Union Internal Revenue Source

Sections 51-53, 66-71 and Fourth Schedule in the Union Parishad Act 2009 are the legal basis of the Union revenue collection.　LGD also issued the "Union Parishad Model Tax Schedule 2012," which serves as a guideline for collecting taxes and fees in the jurisdiction of each Union.

The following are the taxes and fees that the Union Parishad can collect:

1. Tax on the annual value of homestead/land or Union rate to be levied in the prescribed manner;
2. Fee for approval of building plans on the total area at the specified rate of per square feet;
3. Tax on the professions, trades, and callings;
4. Tax on cinemas, dramatic and theatrical shows and other entertainments of like nature and amusements;
5. Fees on licenses and permits granted by the Parishad;
6. Fees from specified haats, bazaars and ferries within the Union boundaries, to be determined by the Government;
7. Fees from jalmahals (water bodies) transferred within the Union boundaries, to be determined by the Government;
8. Fees from stone areas and sand areas situated within the Union boundaries, to be determined by the Government;
9. Part of immovable property transfer tax;
10. Marriage registration fee;

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[54] Some of the actual budgets prepared by the Union Parishads and studied by the JICA Study Team do not satisfy the standard.　It is likely that the details of the budget is not fully discussed; rather providing an opportunity for community people to participate in the dialogue may be more emphasized at the meeting.

11. Part of land development tax;
12. Tax on advertisements; and
13. Any other taxes under any rules of this Ordinance.

In addition to the taxes and fees mentioned above, the Unions have power to raise revenue from various local sources including: profits and rent from property under the control of or managed by the Union; funds received from any individual, organization, or local authority; funds received from the income of trusts managed by the Union; and all profits from investments. In 2012, the government issued the Union Parishad Model Tax Schedule, in which specific items subject to taxes and fees and their model amount are indicated. This regulation does not yet seem to be broadly utilized by many Union Parishads, but it will help Unions to increase their internal revenues.[55]

A study conducted by UPGP reveals that the major revenue sources are land and building taxes, trade and business licenses and occupation taxes, haat-bazaar and pond lease fees, and birth registration fees.[56] On average, a Union Parishad raised BDT 80,180 as its internal revenue in FY 2011-12.[57]

(g) General Meeting of Union Parishad

The Union Parishad Act requires every Union Parishad to hold a general meeting at least once a month in order to share information, coordinate and discuss activities and issues within the Union. The general meetings are attended by the Union Chairperson and other members, Union secretary, and NBD officers stationed at the Union Parishad. Only Union Chairperson and members have voting right. The decisions are made by a majority vote. The agenda is not specified by the Union Parishad Act, but the outcome of the meeting is expected to be utilized for facilitating operations of the Union Parishad. About 70% of the sampled Unions are holding regular meetings, according to the UPGP baseline study.[58]

(h) Standing Committees

Like Upazila Parishads, Union Parishads are to set up 13 Standing Committees in order to execute their functions efficiently.[59] The chair of each Standing Committee is selected from its members.

The UPGP baseline study found that about 60% of the sampled Unions have formed all the 13 specified Standing Committees, although how much feedback the Standing Committees are providing to the Union Parishads' operation is unclear.

(i) Ward Meeting (Ward Shava)

The Union Parishad Act stipulates that the Union Chairperson shall ensure to organize the Ward meetings (Ward Shava) in order to take up the people's needs within the Union. The Ward meetings are to be held at least twice a year, where local issues and overall development activities are to be discussed. The results of the Ward meetings should be reported to the Union Parishad and incorporated into the Union's development plans; however, that is not the case as the frequency of the meeting is very low (twice a year).

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[55] SHARIQUE Project is training courses for Union representatives and secretaries.
[56] UPGP, 2013, "Report on Baseline Study."
[57] Average of 376 Unions all over Bangladesh.
[58] UPGP, 2013, "Report on Baseline Study."
[59] The Standing Committees stipulated in the Union Parishad Act are: finance and establishment; audit and accounts; tax assessment and collection; education, health and family planning; agriculture, fisheries and livestock and other economic development work; rural infrastructure development, protection and maintenance; maintenance of law and order; birth and death registration; sanitation, water supply and drainage; social welfare and disaster management; development and conservation of environment and tree plantations; resolution of family conflicts, women's and children's welfare; and culture and sports.

(j) Union Development Coordination Committee Meeting (UDCCM)

With the hope of disseminating the achievement of the JICA-assisted "Participatory Rural Development Project (PRDP),"[60] LGD issued a circular to establish the Development Coordination Committee (UDCC) at each Union to better coordinate service delivery and development activities.[61] UDCC consists of Union Parishad Chairperson and members, Union Secretary (member secretary), Union Standing Committee members, some NBDs at Union and Upazila levels, representatives of local institutions and schools, and UNO. The UDCC Meeting (UDCCM) is to be held every other month and the outcome of the UDCCM is to be utilized for facilitating operations of the Union Parishad as well as formulating the Union Parishad development plan. There seems to exist some overlapping in terms of roles and agendas between Union general meetings and UDCCM. The slight difference between Union general meetings and UDCCM may be that more focus is put on the development issues in the UDCCM while more general matters concerning Union operations are discussed in the Union general meetings. Details of UCC and UDCC are discussed in Section 3.6.

(k) Mechanisms and Capacity of Unions for Planning and Implementing Development Projects

According to the Union Parishad Act, the Unions need to prepare their five-year development plans as well as other plans. At a stage prior to this, the Wards under the Union need to have a meeting to discuss and compile their development needs and priorities; these outcomes are then brought up to the Union Parishad meeting where development issues and activities are discussed. The same process is taken by the Link Model, having the Gram Committee meeting (village meeting) prior to the UCCM. For the implementation of these activities, the NBDs, in particular Sub-Assistant Engineer, play key roles.

3.3.3. Issues Related to the Local Government Sector in Bangladesh

Service delivery and implementation of development projects by the Upazila Parishads is currently undertaken mainly by the NBD officers, who are transferred to the Upazila Parishads. In general, there are no local government officers who can undertake the development activities of the Upazila Parishads. For ADP implementation, and even day-to-day operations, the Upazila Parishads depend entirely on the NBD officers. The great degree of the services and projects implemented at Upazila level are planned and budgeted by their respective ministries and departments in the central government to be implemented at the Upazila level. The amount of ADP allocated to the Upazila Parishads for development activities by LGD is much smaller than the total budget that NBD officers receive from the central government.

In the Sixth Five-Year Plan, Bangladesh sets a goal of achieving "devolution" in local governance, which is recognized as the most advanced form of decentralization. However, the reality is that devolution is far from being accomplished, and has barely reached the level of "deconcentration."[62] In order for the Bangladesh government to make strides toward devolution, large-scale structural reforms will be required within both the central and local governmental systems. The Upazila Governance and Development Project may pave the way for the very initial steps needed to achieve devolution.

The ultimate goal of JICA's assistance is to strengthen the Upazila Parishads as a local government institution and to improve their service delivery to the Unions and their residents. Changing the current system — including hiring Upazila-level local government officers to replace the role of the NBD officers; building their capacity; reducing interventions from the ministries and departments of the

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[60] One of the achievements is Union Coordination Committee (UCC). Details of UCC are mentioned in Section 3.6.
[61] Circular No-46.018.031.00.00.002.2011-74, February 13, 2011.
[62] According to a JICA Study, "Devolution is the most advanced state of decentralization, in which authority, responsibility as well as discretionary power are transferred to the local government." In comparison, the authority and responsibility stay with the central government, and only part of discretionary power is transferred to the local agency or department of the central government in "Deconcentration." In Deconcentration, the local government bodies have very little involvement.

central government; and securing sufficient Upazila financial resources — may cause some setbacks over the short- or middle-term. The quality of the Upazila services could deteriorate during this transitional process towards devolution. As mentioned earlier, the quality of current Upazila service delivery is fairly adequate because it is being undertaken by the NBD officers who have the requisite capacities. In addition, it is an advantage that there are good communications between the Upazila level and the central level of the different ministries and departments through these NBD officers. These advantages should be forgone to materialize the real devolution.

Until the Bangladesh government is ready to commit itself to real devolution, the focus of assistance should be placed on strengthening the Upazila Parishads, while retaining the current structure, to allow for the planning and implementation of development projects to be carried out more effectively in accordance with the local needs, and for improving accountability within their operations. To that end, attention should be paid to: 1) making the Upazila Parishads formulate five-year plans and other plans, as well as their budgets, reflecting the needs of the Unions; 2) establishing a mechanism through which the central government ministries and departments can make plans and resource allocations, reflecting the Upazila Parishads' needs and the reality on the ground, with the involvement of the NBD officers; 3) the Upazila Parishads making efforts to increase the Development Fund;[63] and 4) reducing interventions by LGD with respect to Upazila Parishads' ADP utilization, and increasing Upazila Parishads' freedom in making resource allocations.[64]

Additionally, in order for the Upazila Parishads to improve their accountability, the decision-making process at the Upazila level needs to be reformed. It is important to put the Upazila Parishads at the center of the decision-making system. Moreover, decisions have to be made for the Upazila at large, and not only for the benefit of particular Unions. It may be necessary to consider adding new Parishad members who are not representatives of the Unions and who can consider the development needs of Upazila as a whole over the long run.

3.4. System of Public Financial Management

3.4.1. Financial Flow from Central Government to Upazila Parishad

(1) Overall Picture

Decentralization of local governance has been a priority policy for the Government of Bangladesh. In his budget speech in 2014, the Minister for Finance clearly stated that the government would gradually shift the power and authority to the local levels to overcome heavily centralized administration. Also, it is emphasized that the government will take necessary action to establish a system of revenue sharing as well as a clear division of work among Zila Parishad, Upazila Parishad and Union Parishad.[65]

In Fiscal Year 2014-15 government allocated 14.69% of its budgetary resources to the "Agriculture and Rural Development" sector, which is composed of the Ministry of Agriculture, the Ministry of Water Resources, the Local Government Division (LGD) and other related Ministries and Divisions. LGD under the Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C) alone receives 6.17% of allocations. This 6-7% of budgetary allocation to the Division and Sector is a trend in recent years (see Table 3.4.1).[66] Block allocation of budget for development assistance to Upazilas (ADP) in the medium-term budgetary framework (MTBF) also shows a similar trend (Table 3.4.2).[67]

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[63] Each Upazila government receives BDT 5 to 7 million per year as ADP on average. It is divided and allocated to the Union Parishads and not much is left for the Upazila Parishad itself to use for its development activities. Nevertheless, some Upazilas are not able to raise their revenues to utilize for development activities due to the lack of capacity. Increasing the Development Fund is one of the critical issues for Upazila Parishads.

[64] Current regulation limits Upazila Parishads' freedom to use ADP freely as it determines sector-wise resource allocation.

[65] Budget Speech 2014-15, 5th June 2014.

[66] The trend has been consistent in recent years as the "Local Government and Rural Development" sector has been receiving 7.4% of budget in FY2012 and FY2013 (Budget Booklet, 2012-2013, GoB).

[67] It is not easy to figure out expenditure of local government institutions (including Upazilas) in Bangladesh. The World

However, this does not give a real picture of resources to which Upazila Parishad can access as the local government.   Upazila has representatives from line ministries and agencies who have their own budget allocated by the central government.   Upazila-level NBD officers implement projects and provide services using the budget coming from their ministries.   Such funds used in Upazila are largely not captured in Upazila Parishad budget.   Upazila's role and level of involvement in decision-making of such departmental budget are limited.   Some Upazila Parishads have compiled their NBDs' budget to Upazila Parishad budget.   However, this practice has been introduced only recently, and many Upazila Parishads' budget does not contain information on their department budget.   Also, since NBDs' budget is planned by ministries and approved by the National Parliament, Upazila Parishads' ability to plan is limited.

Table 3.4.1   Trend in Budgetary Allocation to the Agriculture and Rural Development Sector

(10,000,000 BDT)

	Actual 12-13	Budget 13-14	Revised 13-14	Budget 14-15
Total Expenditure	174,031	222,491	216,222	250,506
(% of GDP)	12.30%	14.10%	13.30%	13.70%
Non Development	99,376	113,471	115,998	128,231
(% of Budget)	57.10%	51.00%	53.65%	51.19%
Development	53,172	72,275	65,145	86,345
(% of Budget)	30.55%	32.48%	30.13%	34.47%
Other Expenditure	21,465	36,745	35,079	35,930
(% of Budget)	12.33%	16.52%	16.22%	14.34%
Agriculture and Rural Development	33,834	32,272	33,094	36,810
(% of Budget)	19.44%	14.50%	15.31%	14.69%
of which LGD	12,314	12,961	13,322	15,464
(% of Budget)	7.08%	5.83%	6.16%	6.17%

Source: Government of Bangladesh, Budget Speech 2014-15

Table 3.4.2   Trend in Allocation of ADP to Upazila in MTBF

(Thousand BDT)

	FY 2010-11(Actual)	FY 2011-12 (Actual)	FY 2012-13 (Actual)	FY 2013-14 (Budget)	FY 2014-15 (Budget)
ADP (Block Allocation for Development Assistance to Upazilas	7,689,328	3,858,621	3,912,424	4,000,000	4,200,000

Sauce: MOF, Medium Term Budgetary Framework (various years)

Resource allocation from the central government to Upazila Parishad and departments is illustrated in Figure 3.4.1.   Ministries and departments that have a representative in Upazila have the budget to be allocated to Upazila both in Revenue (recurrent) Budget and Development Budget.   This current flow shows complicated funds flow at Upazila level.

Bank has estimated from their sample survey the share of subnational expenditure as a percentage of total government expenditure.   It is in the range of 3-4 percent (The World Bank, 2010, *Public Expenditure and Institutional Review).*
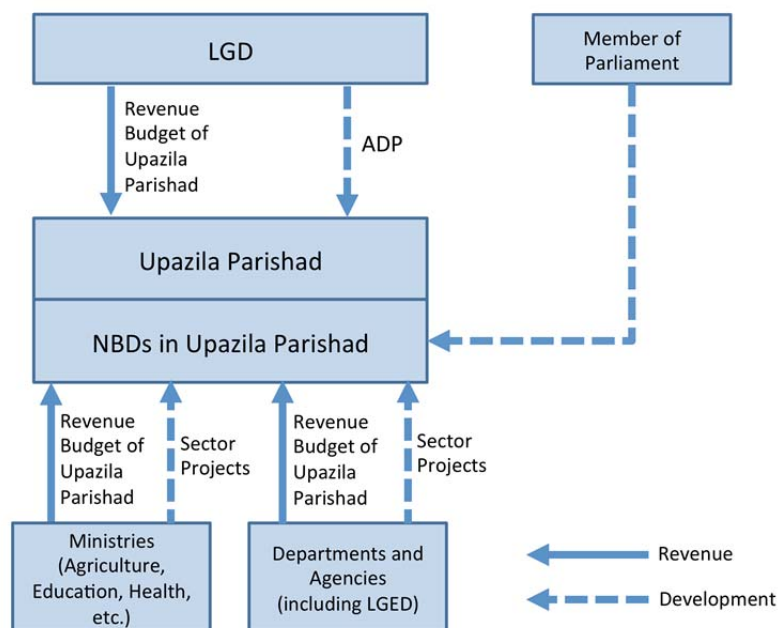
Figure 3.4.1   Resource Flow from Central Government to Upazila

Various ministries and departments maintain budget for salary of officers in Upazila Parishad.   For example, personnel and operational expenses of UNO and staff are still under the budget of Ministry of Public Administration.   Also, operational expenses of Upazila Engineer are secured and allocated by LGED (Local Government Engineering Department) under LGD.   This complex structure makes it difficult to analyze the whole picture of resources available at Upazila level.   In terms of Development Budget, the picture is equally complicated as each ministry or department implements projects at Upazila level but controls them from central or district level.

Analysis of resource allocation as a whole is difficult under this circumstance and what is only possible is to illustrate some development projects implemented at Upazila level.   In terms of investment, Annual Development Program (ADP) is an important source for Upazila to use for development.   Upazila Parishad has discretion for the use of ADP.   In its revised budget of FY2013-14,[68] the Government of Bangladesh allocated BDT 3.3 billion as Block Allocation for Development Assistance to Upazilas.   This equals to BDT 6.762 million per Upazila Parishad on average.

(2)   Departmental Resources

There are some departmental resources that can be used for similar purposes of developing and maintaining rural infrastructure.   Among others, two programs are important in terms of size and flexibility at the local level: 1) Important Rural Infrastructure Development Projects on Priority Basis and 2) Food for Work.

(a)   Important Rural Infrastructure Development Projects on Priority Basis (IRIDP)

This Project is established in order to develop the constituencies of the Members of the Parliament (MP) and mainly implemented by LGED.   The purpose of the project is to develop i) rural (Upazila, Union and village) road, ii) structures (bridges) shorter than 100 meters, iii) culverts, and iv) local markets in MP's constituencies.   Each MP is allocated 15 crore (ten million) for project duration (3-4 years) and

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[68]   GoB initially approves budget at the beginning of Fiscal Year, but this budget will be revised later during the year.   The figure presented here is based on the revised budget of FY2013-14.

respective MPs have authority to select and decide schemes to be developed.

Although the budget is allocated to the constituency, the project itself is implemented by LGED. LGED prepares the Development Project Proposal (DPP) and secures budget through the Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C) and Planning Commission. Upazila Engineers and Executive Engineers in Districts play important roles of preparing estimates, executing and monitoring the work.

(b)   Food for Work Program

Food for Work Program (FFW) is to support construction, maintenance, reconstruction and development of rural infrastructure.   Food and cash are allocated to the Upazilas and used for schemes.   Upazila Parishad selects and prepares FFW schemes through Union Parishad Chairpersons and recommends the schemes to District Commissioner's office.   After approval, these schemes are implemented by the Project Implementation Office of the Upazila Parishad.

The size of budget allocated for the projects above is shown in Table 3.4.3.   Although ADP is an important resource for Upazila Parishad, the other projects have a larger budget size but with less discretion for Upazila Parishad to exercise.

Table 3.4.3   Comparison of Various Programs and Projects Which Can Be Used for Rural Infrastructure in Upazilas

(BDT10,000,000)

	Actual 12-13	Budget 13-14	Revised 13-14	Budget 14-15
Block Allocation to Upazila Parishad (ADP)	391	400	330	420
IRIDP Project	1,439	1,000	1,224	615
Food for Work	1,215	1,181	527	1,239

Sauce: MOF, Medium Term Budgetary Framework (various years)

3.4.2.   Outline of Upazila Budget

(1)   Revenue and Development Budget

Budget of Upazila Parishad consists of two accounts: recurrent or "revenue" account and investment or "development" account.   This dual budget system is similar to that of the central government. Broadly speaking, the Upazila Parishad should pay salary and allowance for Upazila Parishad staff, honorarium for elected representatives and operation and maintenance expenditure of Upazila Parishad services from its revenue account and finance investments such as rural infrastructure from the development account.   How to use respective budgets is stipulated in two guidelines, "Upazila Parishad Revenue Budget Using Guidance" and "Upazila Parishad Development Budget Using Guidance" prepared by LGD.   The scale of budget varies among Upazila Parishads.   Table 3.4.4 and Figure 3.4.2 present budget of some Upazila Parishads in FY2013-14 and FY2014-15.

According to Table 3.4.4, there is a wide gap in the financial capacity of Upazila Parishads.   Modhupur Upazila, the smallest in the table, gained BDT 7,691 thousand for Revenue Account whereas Daukandi Upazila, the largest recipient, received BDT 255,774 thousand, about 33 times larger than that of Modhupur Upazila.   As for Development Account, discrepancy is smaller; Tangail Sadar, the smallest recipient in the table, received BDT 10,049 thousand whereas Daukandi, the largest, received BDT 85,030 thousand, 8.46 times of Tangail's.   While technical accuracy of these unaudited budget figures is not guaranteed, this indicates a wide gap in the financial capacity among Upazila Parishads.

Table 3.4.4   Budget of Selected Upazilas (FY2013-14 and 2014-15)

(in 1000 BDT)

13-14 Budget	Tangail Sadar	Modhupur	Titas	Sorail	Daukandi
Revenue Account Income	32,623	7,691	15,328	11,943	255,774
Revenue Account Expenditure	20,161	5,241	14,917	7,943	224,637
Development Account Income	10,049	10,514	12,119	10,676	85,030
Development Account Expenditure	7,568	10,514	12,119	10,676	92,530
Development Grant (ADP)	10,049	5,273	8,868	10,676	85,030

14-15 Budget	Tangail Sadar	Modhupur	Titas	Sorail	Daukandi
Revenue Account Income	37,700,000	9,000,000	24,840,000	12,770,380	260,884,500
Revenue Accoune Expenditure	35,889,520	6,500,000	24,280,400	7,996,630	230,145,394
Development Account Income	16,100,000	8,500,000	20,718,000	10,516,960	87,500,000
Development Account Expenditure	9,100,000	17,500,000	20,718,000	10,516,960	94,500,000
Development Grant (ADP)	16,100,000	7,000,000	6,250,000	5,000,000	87,500,000

Sauce: Upazila Budget 2014-2015, obtained by the JICA Study Team during a field survey

(BDT1,000)
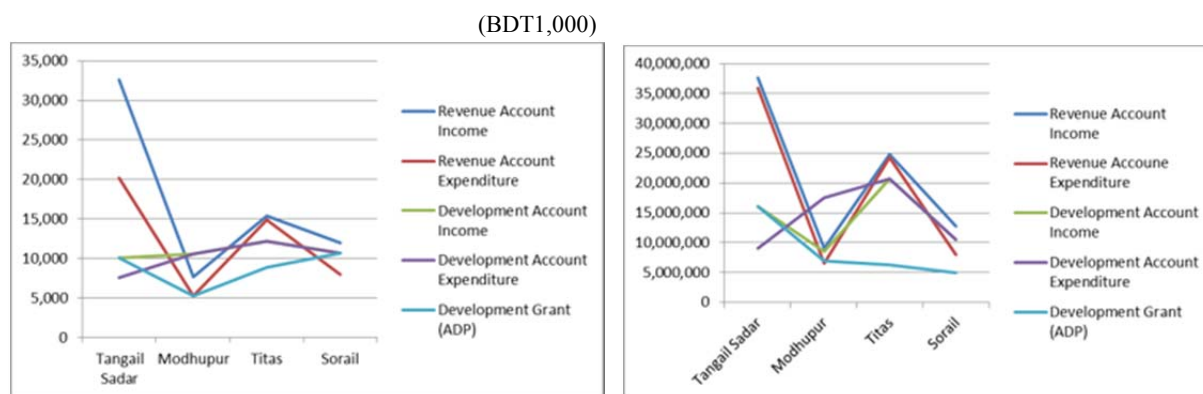
Source: Same as Table 3.4.4.

Figure 3.4.2   Budget of Selected Upazilas (FY2013-14 and 2014-15)

(2)   Own Resources

In addition to the grant from the central government, Upazila Parishad can have its own revenue raised from local resources.   The possible sources of local revenue for Upazila Parishad are specified in the fourth schedule of the Upazila Parishad Act (1998, rev 2009, 2011).[69]   However, many of Upazila Parishad taxes are marginal (e.g., tax on street lights) and could not be the main source of revenue. Consequently, Upazila Parishad depends mainly on the shared tax either with Union Parishads or with the central government.   Table 3.4.5 and Figure 3.4.3 show sources of own revenue of selected Upazilas.   Currently, the 1% share of land transfer fees is the main source of revenue for many Upazila Parishads.   Other sources include house and office rent, income from leased haat-bazaar, etc. and 2% share of land development tax.   The amount of land transfer tax, land development tax and, to some extent, lease value of haat-bazaar is based on commercial land value.   Therefore, Upazilas near commercial centers could raise more revenue from these property taxes and leases.

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[69]   See Table 3.3.7 in Section 3.3 above.

Table 3.4.5   Upazila Parishad Sources of Own Revenue

(1000 BDT)

Source	Modhupur Upazila			Tangail Sadar Upazila		
	Actual Y12-Y13	Revised Y13-14	Budget Y14-15	Actual Y12-13	Revised Y13-14	Budget Y14-15
House/Office Rent	-	1,840	2,051	527	102	500
41% of Income from Leased Hatbazar/Ferryghat	-	170	195	6,117	6,408	7,000
1% of Land Transfer fee	-	5,532	6,000	0	25,938	30,000
2% of Land Development Tax	-	150	150	128	176	200
Other Sources	-	0	0	5,913	0	0
Total	-	7,691	8,396	12,686	32,623	37,700
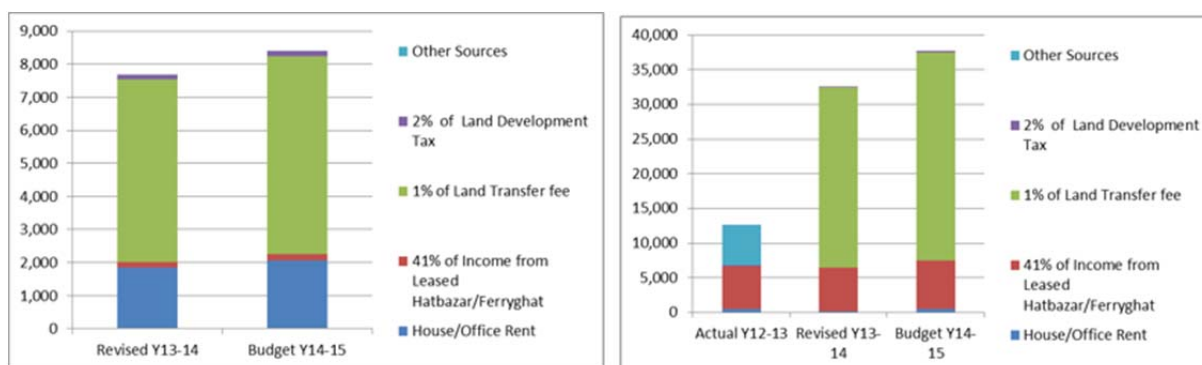
Source: Same as Table 3.4.5.

Figure 3.4.3   Upazila Parishad Sources of Own Revenue

(3)   Technical Problems with Upazila Budget Documents

Upazila Parishad prepares budget documents each year in a prescribed form provided by LGD.   LGD endeavored to provide guidance to all Upazila Parishads on how to prepare the budget documents, but the current budget documents have a few problems.   Some of the problems that need LGD's attention are as follows:

- Technical mistakes: Some budget documents contain technical mistakes.   Although the Upazila Parishad Chairperson and officers sign the documents, some mistakes in calculation are often found.

- Lack of comprehensiveness: Some Upazilas tried to incorporate NBDs' budget into Upazila Budget, but failed since they could know accurate budget at Upazila level only after the Parliament has approved the budget.   The budget documents to be prepared by Upazilas before budget approval inevitably lack comprehensiveness.

- Inconsistency: Some Upazilas incorporate surplus of the revenue budget into the development budget of the same year.   Other Upazilas incorporate surplus from the previous year into this year's development budget as an item of other source.   This inconsistency in budget item classification and preparation makes it difficult to compare budget among Upazila Parishads.

3.4.3.   Allocation of ADP

(1)   Central Government's Formula to Allocate ADP and Its Practice

Development Budget of Upazila Parishad is called Upazila Parishad Development Fund, which is controlled by "Upazila Parishad Development Fund Using Guideline."   The Upazila Parishad Development Fund is composed of 1) funds from the Annual Development Program, 2) carry-over/rest of revenue funds (revenue budget), 3) donations, 4) other received funds for development projects, and 5) funds received from contract with other organizations.

The allocation of the Annual Development Program is managed by Upazila Wing of LGD. LGD has a formula to allocate ADP to Upazilas. First, LGD reserves part of ADP budget approved by the Parliament for 1) construction and maintenance of Upazila buildings (15%), 2) study tour at home country or abroad (3%), 3) contingency for unexpected disaster (2%). The balance (80%) of the budget will go to the Grant for Upazila Parishads.[70] This Grant to Upazila Parishad, usually also called ADP to Upazila, will be distributed to respective Upazila Parishads according to the following formula: 35% proportionate to population, 35% to land area and 30% to "general" or "common."[71]

Since this formula takes only population and size (geographical area) into consideration, a large and highly populated Upazila receives a larger allocation regardless of the needs or available local resources. Figure 3.4.4 shows ADP allocation in Comilla District.
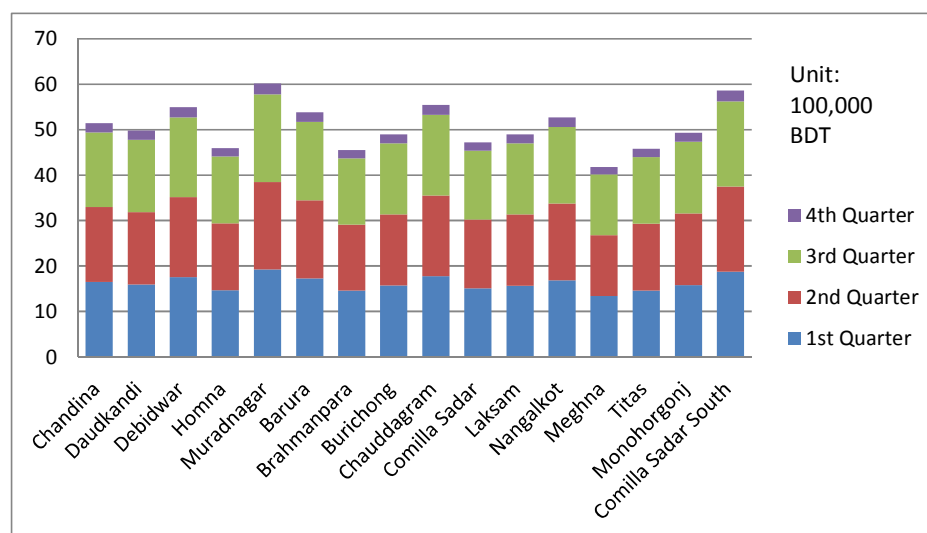
Source: Local Government Division

Figure 3.4.4   Allocation of ADP to Upazilas in Comilla District in FY2013-14

It should be noted that for some Upazilas ADP is not the largest source of development funds. Since 1998, the Upazila has been receiving shared tax from the central government, namely, 1% of registration fee of property transfer and 2% of land development tax. For some Upazilas located near large cities, these tax revenues are much larger than ADP. Hathazari Upazila has raised BDT 15 million from land transfer fee.[72]

(2)   Allocation of ADP in the Upazila as in the Guidelines and Its Practice

How Upazila should allocate ADP among sectors is stipulated in the guidelines. The Upazila Operational Manual gives following indicative allocation (Table 3.4.6).

Table 3.4.6   Sectoral Allocation of ADP

Sector	Allocation
Agriculture and Small Irrigation	
a) Agriculture and irrigation	10%-15%

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[70] Memo issued by LGD on 23rd January 2012. However, LGD has recently revised its guidance. According to the new directive, the total allocation should be divided into 1) construction, repair of buildings (15%), 2) general allocation, 3) national/international training and visit (3%), 4) contingencies (natural disaster) (2%), 5) special allocation to disadvantaged Upazila Parishad (25%), 6) special allocation for on-going projects (5%).

[71] Previously, instead of "general," a coefficient of "state of underdevelopment" was used.

[72] Ahmed N. *et al*, p. 54.

b) Fishery and livestock	5%-10%
c) Handicraft	5%-7%
Physical Infrastructure	
a) Roads	15%-25%
b) Buildings	5%-7%
c) Public health	10%-15%
Socio Economic Infrastructure	
a) Education	10%-15%
b) Health and social welfare	10%-15%
c) Sports and culture	5%-10%
d) Others	5%-8%

Source: Local Government Division

The GoB emphasizes that ADP should be allocated according to Upazila Parishad's plan and priority. The government, in a memo dated 13 December 2011, stated that the ADP funds should not be further distributed to Union Parishads.   In 2011, the government recognized that large part of ADP for Upazila Parishad had been allocated to Union Parishads.[73]   Also an interview with Upazila officials who were receiving UZGP training revealed that they had learned in the training that the guidelines should be strictly followed in spending Upazila Budget.   They confirmed that some, if not most, of the Upazilas currently spent ADP without considering indicative sector-wise ceilings given by the guidelines.   Table 3.4.7 shows actual sector allocation by one Upazila Parishad in FY 2013-14.   The allocation for roads exceeds LGD's guidance and reaches 49% of total ADP.   LGD is currently undertaking measures to guide Upazilas to spend ADP according to the sectoral allocation given in the guidelines.

Table 3.4.7   Actual Sector Allocation of ADP (Modhupur Upazila)

Sector	Total Amount (BDT)	%
1. Agriculture and Irrigation	170,000.00	3%
2. Transportation and Communication	2,656,360.00	49%
3. Housing	100,000.00	2%
4. Public Health	470,000.00	9%
5. Education	2,000,000.00	37%
Total	**5,396,360.00**	**100%**

Source: Modhupur Upazila

In November 2014, LGD revised its Upazila Parishad Development Fund Guidelines.   This new guidance gives discretion for Upazila Parishad to choose development projects according to local demands.   However, if the Upazila Parishad prefers sector-wise allocation, LGD provides new indicative sector allocation of ADP as shown in Table 3.4.8.

Table 3.4.8   New Indicative Sector-Wise Allocation of ADP, Provided by LGD

Sector	Allocation
Agriculture and Small Irrigation	
a) Agriculture and irrigation	10%
b) Fishery and livestock	5%
c) Small and handicraft industry	5%
Physical Infrastructure	
a) Transportation and communication	15%
b) Public health	15%

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[73]   Memo issued by LGD on 13th December 2011.

Socio Economic Infrastructure	
a) Educational development	10%
b) Health and social welfare	15%
c) Sports and culture	10%
d) Women and children affairs	10%
e) Others	5%

Source: Local Government Division

An Upazila Project Format (UPP) has been developed to review the rationale of public investment by Upazila.[74] The format should be used for appraisal of each investment project or "scheme." However, several interviews reveal that this UPP format is rarely used. The information needed to fill in a UPP form is provided in the Upazila Parishad Manual.

Table 3.4.9   Upazila Project Format for ADP Schemes

Upazila Project Format (UPP)
1.   Project name
2.   Implementation organization
3.   Objectives
4.   Importance and rationale
5.   Total expenditure and annual expenditure
6.   Estimated cost breakdown
7.   Implementation period: start date /end date
8.   Location of the scheme
9.   Source of fund: government/local fund/other
10. Implementation method (tender/ Project Implementation Committee)
11. Need of manpower (skilled/unskilled)
12. Benefits of the Project after completion
13. Method of maintenance (labor, materials, estimated budget, etc.)
14. Information on similar projects implemented by the Government or other organizations, and reason/ rationale of the Project if similar project exists)
15. Necessity of supplemental investment to enjoy full benefit of the Project
16. System of maintenance if the land is going to be leased
17. Expected benefits of the Project (economy, employment, socio-economic welfare, and estimated rate of benefit (benefit/cost)
18. The process of Project formulation
19. Existence of survey for the Project
20. The process of Project implementation, specifically, compliance to the guidelines

Source: Upazila Parishad Manual

3.4.4.   Upazila and Its Budget/Accounting

The on-budget and off-budget resources of Upazilas are summarized in Table 3.4.10.

Table 3.4.10   Resources Available to Upazila (on-budget/off-budget)

On/Off	Revenue/ Development	Item	From
Upazila On Budget	Revenue	Salary, Allowance, Honorarium of Upazila Parishad	LGD
		Transferred Departments' revenue budget (part)	Line ministries
	Development	ADP	LGD
		Some projects and programs	Line ministries
Upazila Off Budget	Revenue	Salary, Allowance, etc.	Not-transferred office in Upazila

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[74] This format is included in the Upazila Parishad Manual, 2013.   But the text only indicates the abbreviation as UPP.

		Salary, Allowance, etc. (some)	Transferred office
	Development	Projects and programs implemented in Upazila by Ministries	Line ministries

Source: JICA Study Team, prepared based on Upazila Parishad Manual

3.4.5. Upazila's Financial Management

(1) Current Situation

Upazila Parishad has access to four major types of grants: 1) earmarked sectoral project grants funded either by donors or by the central government; 2) program grants, such as Food for Work, and various relief programs, 3) Block Development Grants and 4) recurrent expenditure grants.

Among the major types above, 1) earmarked sectoral project grants and 2) program grants implemented by the Ministry of Disaster Management and Relief are not captured or reported in Upazila Budget and Account Statements. An attempt is being made to consolidate sectoral budget of NBDs into Upazila budget by transferring control of NBD officers to Upazila Parishad, but this effort is still ongoing. Only some Upazilas' budget covers NBDs budget. In most cases, Block Development Grants (ADP) from LGD and Revenue Budget are the only two items reported in Upazila's budget and account statement.

(a) Budget of Upazila Parishad

(i) Budget Formulation

Upazila Parishad prepares its annual budget consisting of Revenue Accounts and Development Accounts 60 days before the commencement of the next fiscal year. The budget is prepared in a prescribed form (Form 'K'), which is presented as Table 3.4.11.

Table 3.4.11   Upazila Budget Form (Form 'K')

Description		Actual Revenue and Expenditure of the Previous Year	Budget/Revised Budget of the Current Year	Proposed (Tentative) Budget of the Next Year
Part 1	**Revenue Accounts**			
	Revenue (Own)			
	Grant			
	Total Received			
	Exclude Revenue Expenditure			
	Revenue Account Surplus/Deficit			
Part 2	**Development Accounts**			
	Development Grant (ADP)			
	Other grant/fees			
	Transfer from the balance of Revenue Budget of the previous year			
	Total Received Amount			
	Exclude Development Expenditure			
	Development Account Surplus/Deficit			
Closing Balance				

Source: Upazila Operation Manual

Revenue Accounts consist mainly of honorarium for Parishad Chairperson/Vice Chairpersons and members, salary and allowances for officers, personnel expenditure on transferred officers and offices received from the central government, own revenues including taxes, fees and share of national taxes (e.g., 1% of land development fee, etc.). Development Accounts have two main sources: Development Grant from the central government, which is known as ADP, and other transfers from the balance of Revenue Budget of the previous year (carry-over). Theoretically, the Development Accounts should include budget of transferred NBDs, but many Upazilas are not able to compile budgets of NBDs.

Another reason for this inability is that Upazila budget needs to be prepared in May since Upazila Parishad Ordinance No. 226 and Section 38 of the Upazila Parishad Act require that the budget should be prepared 60 days before the next Fiscal Year starts in July.   In actuality, however, department budget is only approved by the Parliament in June.   Therefore budget of transferred NBDs is at best tentative if it is ever compiled in the Upazila budget at the beginning of the Fiscal Year.   In field interviews, the JICA Study Team found that some Upazila Parishads tried to include NBD budget in Upazila budget, but only a few were successful.

Several issues are noteworthy on the Upazila budget: 1) Medium Term Budgetary Framework (MTBF) is not used in Upazila; 2) no guideline is given to revise budget; and 3) preparation of budget and plans are separated.

Figure 3.4.5 indicates the Budget Calendar for Upazila Parishad while Table 3.4.12 shows its budgeting schedule.

	Jan-Mar	Apr-Jun	Jul-Sept	Oct-Dec	Jan-Mar	Apr-Jun
FY (n-1)		Close of Account		Statement of Account should be finalized and submitted	Audit	
FY (n)		Prepare Budget for Scrutiny by Citizens	Budget should be approved before July	Revised Budget ias required		Close of Account
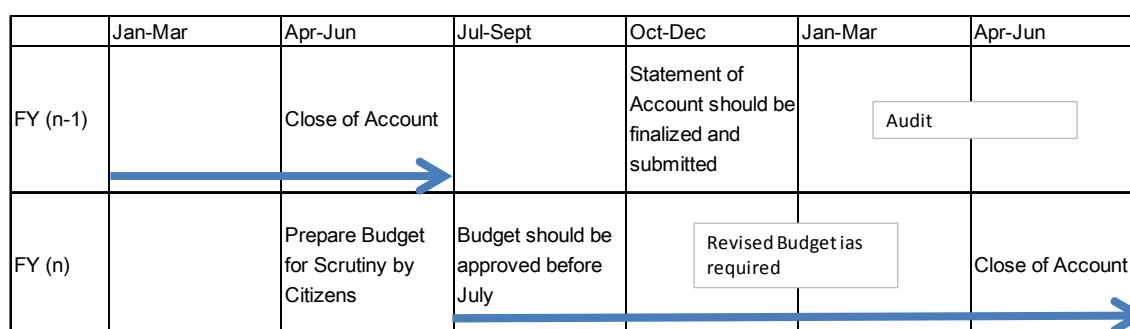
Figure 3.4.5   Budget Calendar

Table 3.4.12   Budgeting Schedule

April (60 days in advance to commencement of next fiscal year)	Upazila Parishad should prepare budget and the budget should be presented on the notice board for citizens' comment for 15 days (Ordinance 2010)
June	Parishad, after considering the comments and suggestions from the citizens, should approve the budget and submit it to District and Central Government (Upazila Parishad Act 2013, Section 38)
July	Commencement of Fiscal Year (Upazila Parishad Act 2013, Section 38)
July-June	Implementation of budget, but budget can be revised: "in case of necessity, the Parishad may prepare and approve the revised budget before ending of any financial year" (Upazila Parishad Act 2013, Section 38 (5))
December 31	Annual Statement of Accounts should be prepared and forwarded to the Central Government. A copy of the statements should be presented for citizens' inspection (Upazila Parishad Act 2013, Section 38)
After December	The Statement of Accounts is subject to audit (Upazila Parishad Act 2013, Section 40)

(b)   Accounting

The accounting method used by Upazila Parishads is single-entry cash-accounting.   Accounting is largely managed by Upazila Accounts Officer (UAO) sent by the Office of Controller General of Accounts (CGA), Ministry of Finance.[75]   The Upazila Accounts Officers are responsible for accounting and pre-auditing of Upazila Accounts.   Upazila Accounts are recorded in the Integrated Budget and Accounting System (iBAS)[76] and information on iBAS could be monitored in the central office of CGA.

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[75]   Upazila Accounts Officer is assigned to about 480 Upazilas.   Some UAOs look after two Upazilas in one office.
[76]   iBAS has been distributed to 26% of Upazila Accounting Offices (according to Finance Division, MTBF, Section 6.4.2).

Although iBAS has a name as "integrated" budget and accounting system, the current iBAS consists of two separate modules of Budget and Accounting on two separate database servers: one is in Finance Division and the other in CGA office. At Upazila level, only accounting module is used and the budget module is not used while fund commitment and budget control are manually managed outside the database.[77]

Upazila Parishad has only two bank accounts linked to the central treasury. However, other offices in Upazila (NBDs such as Upazila Engineer's office) keep their own accounts, which are managed by respective Drawing and Disbursement Officers (DDO). DDO directs UAO to disburse payment/ checks.

(c)   Auditing

There are three kinds of "audit" in financial management in Bangladesh. After Drawing and Disbursement Officer (DDO) requests UAO to proceed with payment, and before actual paying transaction and recording, the auditor attached to UAO once again examines the demand note or invoice together with supporting documents (vouchers, contracts, etc.), a process to check the accuracy of payments and procedures. This pre-audit function is conducted by auditor in Upazila Accounts Office and part of the payment process. It is not an internal audit because pre-audit is only part of the accounting and payment examination process.

In addition to this pre-audit, usually Upazila receives audit and inspection from LGD (Audit-1 Section) and financial audit by Local Revenue Directorate of C&AG office.

LGD is as supervising and regulating body of local government institutions in Bangladesh, is responsible for financial management of Upazilas. Specifically, the Secretary of LGD is Principal Accounting Officer of local government institutions and needs to be accountable to all external audit queries. Therefore Audit-1 Section of LGD regularly conducts audit and inspection of Upazila Parishads. A team consisting of officers from Audit-1 Section and other offices which are responsible for the management of Upazila Parishad, visits Upazilas to inspects documents and check the compliance to the laws, ordinances and guidance provided by LGD. The result of the audit will be provided to the Secretary of LGD.

Finally, external audit is conducted by the Comptroller and Auditor General Office (C&AG). Local and Revenue Audit Directorate of C&AG Office conducts audit of LGIs, namely City Corporations, Pourashavas, Zila Parishads and Upazila Parishads. Since the directorate looks after auditing of all LGIs, it cannot cover all Upazilas every year. In recent years, Upazilas will be visited for audit once in every 4 or 5 years. Since this audit visit is not based on risk, C&AG tries to cover all Upazilas.

Field audit at Upazila level covers Upazila Revenue Fund (Own Revenue, Government Grant) and Upazila Development Fund (Government Grant). Audit of Upazila excludes department budget as Upazila NBDs usually have their own DDOs, who are audited by respective department heads.

The report (Audit Inspection Report) will be provided to the audited Upazila Parishad. The audit objection is classified into two categories: 1) General Para and 2) Advance Para. Serious objections are going to be reported to both Auditee (Upazila Parishad) and LGD.

Under GoB's central treasury system, LGD Secretary is the Principal Accounts Officer who needs to be accountable to the accounts and Public Accounts Committee of the Parliament.

(2)   Issues in Public Financial Management of Upazila

(a)   Fiscal Discipline

Fiscal Discipline is maintained under strict rule and control of the central government. The

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[77] Government recently provided iBAS to Upazilas.

Government of Bangladesh maintains single treasury account and even at the Upazila level, Accountants from the Office of Controller General of Accounts (CGA), Ministry of Finance, process bank accounts under a national commercial bank. Also, LGD provides guidance for the usage of recurrent and development budget.

Deficit is usually under control since deficit financing is not allowed for Upazila activities. Upazila Parishad usually issues a Work Order after their budget was credited to their accounts in Sonali Bank. Cost of activities should not exceed budget ceiling. LGIs are not allowed to finance its commitment by borrowing. Also, as LGIs cannot be engaged in commercial activities (that is, no Upazila-owned enterprises), risk of off-budget liability is minimal. Thus, overall fiscal discipline of Upazilas as LGIs is maintained. However, Upazila budget has serious problems of not being comprehensive or exhaustive. Issues to be addressed are 1) unrealistic revenue forecast, 2) partial budgeting, 3) timing and frequency of budget revision, and 4) carry-over of the revenue budget to development budget of the succeeding year.

Usually revenue forecasting of own revenue sources (i.e., Upazila taxes) is too optimistic and it is often necessary to revise the forecasts in the middle of the fiscal year. The budget necessarily becomes partial since Upazila Parishad usually does not know the allocation of NBDs' budget beforehand; hence comprehensiveness of Upazila budget is undermined. Another problem is that the guidelines do not stipulate when and how Upazilas can revise their budgets. Furthermore, the rule allows that remaining revenue budget in the previous fiscal year can be used as development budget in the following fiscal year. Thus carry-over of the budget is officially allowed. This practice undermines the discipline of the single-year budget. Issues demonstrated above need to be addressed in the reform of fiscal management of LGIs.

(b) Strategic Allocation of Fiscal Resources or Allocative Efficiency

As most of Upazila budget is controlled by the central government, the allocative efficiency of Upazila budget is low. The main fiscal resource at the Upazila level is NBDs' budget, which is off-budgeted from Upazila's viewpoint. A large amount of resources are allocated outside the annual budget plan of Upazila as centrally allocated programs and projects are larger than Upazila's own. Although Upazila Parishads after 2009 have some influence on the spending of NBD budget, it largely remains out of Upazila Parishad's control.

Other issues to be considered are as follows:

Biased budget: Outside of local government it is often pointed out that ADPs are usually used for development of rural roads since road development is politically appealing. This might imply biased budget allocation towards rural roads, which needs to be examined further.

Enclave budget: A large amount of budget is allocated for constituency development by Members of Parliament (through LGED) and Relief (under the Ministry of Disaster Management and Relief). These are allocated outside Upazila Parishad budget.

Short-term or myopic budgeting: Both revenue budget and development budget are silent about operation and maintenance cost of ADP, which is for investment. Budget largely does not allocate an adequate amount to maintenance and operation of the investment. On the other hand, responsibility (or jurisdiction) of operation and maintenance of rural roads is unclear or overlapping among LGIs and NBDs. This lack of clear responsibility for operation and maintenance needs to be addressed further.

(c) Operational Efficiency

Operational efficiency is one of three pillars of Public Financial Management. Operational efficiency is high if spending agencies produce goods and services at a cost (budget) that achieves ongoing efficiency gains and (to the extent appropriate) is competitive. Under the Project, the spending agency is the Upazila Parishad, and its operational efficiency is relatively high as both revenue and ADP, if captured in the Upazila budget, are under Parishad's control. However, a large amount of NBDs' budget and other off-budget projects are the main resources to which the residents have access.

Consequently, Parishad's ability to control its resources is strictly confined.

In terms of spending control, if a project or investment spending is under BDT 200,000, the Project Implementation Committee (PIC) formed in Upazila is delegated to implement and manage its procurement. This PIC system is said to be efficient and LDG has a plan to expand the use of the system. This will bypass the lengthy procedure required by the Public Procurement Act and Public Procurement Rules. From the viewpoint of Upazila Parishad, efficient and speedy implementation of the project is highly appreciated.

In other countries, ghost employees and inefficiency among government officials are observed. In Bangladesh as well, many observers pointed out that public service providers were not available in their office (source). If this is the case, this needs to be addressed as a Public Financial Management issue. However, since many of the officers are employed centrally and department officers are deputed from central agencies, Upazila Parishad and UNO do not have right to promote or fire important officers. As a result, Upazila Parishad's power to oversee the management of service provision in its jurisdiction is confined.

(d) Next Steps Addressed by the Project and Beyond

These issues may not be addressed only in the Project. GoB is currently experimenting some of decentralization and devolution policy as they transferred 17 NBDs (Line Agencies) to Upazila Parishad. It seems that GoB is determined to uphold the strategy for decentralization, but several issues remain to be addressed before and during the implementation of the Project, as presented in Table 3.4.13.

Table 3.4.13   Remaining Issues to Be Addressed by the Project

Overall	Overall strategy for decentralization and devolution should be defined by streamlining functions of LGIs
Upazila Accounting and Budgeting	Strengthen Budget Management by separating budget function from accounting Capacity in budget planning should be enhanced Update asset registration in Upazila
Training Capacity	Enhance NILG's and other institutions' capacity to provide guidelines and trainings in Financial Management for Upazila level

3.5.   Development Partners' Assistance in the Local Governance Sector

Various development partners support strengthening local government in Bangladesh. These agencies include the World Bank, Asian Development Bank, UNDP, UNCDF, JICA, Swiss Development Cooperation (SDC), and the United States Agency for International Development (USAID). Within these assistance activities, significant attention has been given to strengthening the Union Parishads in order to build capacity at the very fundamental level of local government, as well as to encourage citizens' participation in the decision-making process, through providing technical and financial support. Recently, the focus has been shifting to Upazila Parishad and other LGIs, in order to effectively promote devolution of power, by working to develop the capacity of these LGIs and to enhance legal and policy reforms of the central government. In the following section, some of the leading assistance projects are summarized.[78]

3.5.1.   Local Governance Support Project (LGSP) I and II: Assisted by the World Bank

The World Bank has been assisting the Bangladesh Government's efforts in strengthening local government institutions through Local Governance Support Project (LGSP) I and II since 2007. LGSP I was implemented from 2007 to 2011 with a total project cost of USD 189.9 million.[79] It started with 1,100 Unions, and expanded its coverage finally to assist all 4,504 Union Parishads in Bangladesh.

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[78]   Japan's cooperation is discussed in a separate section.
[79]   The World Bank disbursed USD 91.6 million.

LGSP II, started in 2011, aims to strengthen the Union Parishads (UPs) to become accountable and responsive, supported by an efficient and transparent intergovernmental fiscal system.

The project provides UPs with performance-based direct block grants for improving local services, accountability and performance. The project also provides technical assistance for building the capacities of UPs and strengthening key central agencies to make policy and manage the local government system effectively.

The project management unit supports project management, including financial management, procurement, safeguards, grievance redress and incremental operating costs. The World Bank provides financing of USD 290 million out of the total project cost of USD 545 million.

3.5.2. Union Parishad Governance Project (UPGP): Supported by UNDP, UNCDF, EU, SDC, and Danida[80]

UPGP is part of the overall programmatic framework for UNDP and UNCDF support in Local Governance reforms, together with the UZGP project that supports Upazila Parishads. The UPGP works in 7 districts, covering around 10% of UPs.

The objective of UPGP is "to strengthen capacities of the local government and other stakeholders to foster participatory local development service delivery in order to attain Millennium Development Goals (MDGs)." The project aims to improve the functional and institutional capacity and democratic accountability of Union Parishads and to increase citizen involvement in order to achieve effective, efficient and accountable delivery of pro-poor infrastructure and services. It also includes a significant gender mainstreaming effort, encouraging local women participation and empowerment.

As a catalyst for actions, the project provides direct block grants to Unions, employing a performance-based allocation with respect to a set of 41 indicators. The average amount of grants for each participating Union is about USD 5,000. So far, the project has observed improvements in management of the Unions, participation of citizens at the Ward meetings, revenue collection, etc., according to the project advisor.

The project coordinates with LGSP, sharing the same district facilitators who manage the fund at district level. The project also provides capacity development assistance, including training for the Upazila Parishad elected representatives, as well as for community members. The duration of the project is five years, from 2011 to 2016 (covering 4 fiscal year rounds), and the total budget is USD 18 million.

3.5.3. Upazila Parishad Governance Project (UZGP): Supported by UNDP, UNCDF, EU, SDC and Danida[81]

UZGP shares the same specific objective as UPGP, namely "to strengthen capacities of the local government and other stakeholders to foster participatory local development service delivery in order to attain Millennium Development Goals (MDGs)." Giving priority to Upazila Parishads, the project aims to strengthen their institutional capacities in order for them to effectively act as a structural link between Unions and the central government agencies.

One of the main activities of the project is preparing guidelines, manuals and systems for effective and efficient Upazila Parishad operation and providing training courses and workshops based on these materials for the Upazila representatives, NBD officers, employees and citizens of all 489 Upazilas. Another notable activity is providing a block grant to the 14 pilot Upazilas. These 14 Upazilas are selected based on their governance conditions. A set of Governance Indicators is used to evaluate their performance. On average, selected Upazila Parishads receive BDT 5 million, and the grant is used for the development activities. In addition, a Women's Development Forum (WDF) is established at District and Upazila levels as a space for elected women representatives to discuss their roles,

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[80] UPGP JOINT PROGRAMME DOCUMENT.
[81] UPGP JOINT PROGRAMME DOCUMENT.

responsibilities and challenges in political and development decision-making.

The project starts with seven Upazila Parishads in the target seven Districts,[82] and gradually increases to 14 in four years (two Upazila Parishads per district).   The project will be implemented for five years, covering FY2011 to 2016.   The total cost of the project is USD 19.31 million.[83]

3.5.4. Sharique: Assisted by Swiss Development Cooperation (SDC)

Started in 2006, Sharique addresses the issue of poverty alleviation in Bangladesh by facilitating improved local governance services.   The project aims to strengthen the capacities of the local government institutions at the Union and Upazila levels and to support citizens' participation in the decision-making process at the local level.   Launched on March 3, 2014, the third phase of Sharique tries to influence the policies and practices at the national level through promoting and sharing its good practices and strengthening research initiatives.   The project area includes 207 Union Parishads in the Districts of Rajshahi, Sunamganj, Chapai Nawabganj and Khulna.   It is implemented by a consortium comprised of HELVETAS Swiss Intercooperation (HSI) and the Institute of Governance Studies (IGS) of BRAC University.   The total Swiss contribution for the third phase is approximately USD 11 million. The third phase will end in 2016.

3.5.5. Strengthening Democratic Local Governance (SDLG): Assisted by the United States Agency for International Development (USAID)[84]

USAID has supported decentralization and local capacity building in Bangladesh since the 1990s.   The objective of the Strengthening Democratic Local Governance (SDLG) project is to improve transparent and participatory public administration at the sub-national level and to enhance legal and policy reform at the national level, in order to promote and expand decentralization.   The project works with 600 local government institutions, including the Union and Upazila Parishads, and Pourashavas (Municipalities).

The project promotes the CiG (Citizens in Governance) process, through which citizens are mobilized to participate in the committees in each ward in order for them to be productively engaged in local decision-making.   The project also provides training sessions for locally elected representatives for financial management and revenue generation, participatory planning and budgeting, and service delivery and monitoring.   The project period was from January 2011 to March 2014, and was implemented by Tetra Tech ARD.

3.5.6. Comparison of Development Partners' Assisted Projects

A summary of the above projects is shown in Table 3.5.1, and Table 3.5.2 summarizes the advantages, challenges and lessons learned from the on-going donor-assisted project experiences.   More detailed information regarding implementation mechanisms, project components, financial flows, etc., of these projects is discussed in the respective sections.

Table 3.5.1   Comparison of the Development Partners' Assistance Projects

Project	Donor Agencies	Budget	Coverage	Project Period
LGSP II	World Bank	USD 545 million (WB supports 290 million)	All Union Parishads	2011 - 2016

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[82] Same Districts that UPGP is operating.   They are Barguna district, Brahmanbaria district, Kishoreganj district, Khulna district, Sirajganj district, Rangpur district, and Sunamganj district.

[83] The project is funded by European Union (EU) USD 10 million, the Swiss Agency for Development and Cooperation (SDC) USD 5million, UNDP and UNCDF together USD 3 million.

[84] http://www.sdlg-bangladesh.com/ and
http://www.tetratechintdev.com/index.php?option=com_k2&view=item&id=456%3Astrengthening-democratic-local-governance-in-bangladesh&Itemid=60&lang=us

UPGP	UNDP, UNCDF, EU, SDC and Danida	USD 18 million	About 10% of Unions in 7 Districts	2011 - 2016
UZGP	UNDP, UNCDF, EU, SDC and Danida	USD 19.31 million	Training is provided to all Upazila Parishads. Block grant is provided to 14 Upazila Parishads in 7 Districts	2011 - 2016
Sharique	SDC	USD 11 million	Approximately 200 Unions in 5 Districts	March 2014 to August 2016
SDLG	USAID	USD 14.6 million	600 Unions, Upazilas and Pourashavas in 22 Districts	January 2011 to March 2014

Source: Created by the JICA Study Team based on the above information

Table 3.5.2   Advantages, Challenges and Lessons Learned from On-going Project Experiences

Project	Donor Agencies	Advantage	Challenges	Lessons Learned
LGSP	World Bank	• Provision of the direct block grant to all Unions, which has a large impact on Unions' financial discretionary power • Introduction of Performance-Based Allocation (PBA) with the Basic Grant, which gives incentives to Unions • Provision of training as well as materials (Union Manual) to Unions • District Facilitators at the District Commissioners' office • Encourages LGD to issue missing regulations and rules, including Tax Schedule, etc.	• Having only the UP Secretary at each Union, additional activities and document preparation for the project are a great burden for Unions • Managing block grants for more than 4500 Unions itself is a big challenge • One District Facilitator (DF) has to cover a large number of Unions (more than 50 per DF), which limits the frequency of their visits (once in three to four months) as well as attention. Accordingly, some funds have been misused. • Developed Unions get more than underdeveloped ones which lack resources and other facilities.	• It is very important for LGIs to have discretionary financial resources for development purposes • In order to effectively fulfil functions stipulated in the Union Act, especially planning and financial aspects, human resources other than the UP Secretary are needed • Existing government auditing system does not meet the international standard, and requires the hiring of external auditing firms for ensuring transparency and accountability • Engagement of field supervision and monitoring is very important. District Facilitators and DDLG can work closely, which facilitates monitoring by LGD • There is tendency to implement more road schemes in preference to other sectors. Ceiling may be fixed for road sector projects in order to balance development intervention among different sectors
UPGP	UNDP, UNCDF, EU, SDC	• Introduction of PBA, which provides self-awareness and	• Overlapping similar activities with LGSP II • Limitation of the number	• Training is important, but conventional training approaches are not cost

	& Danida	incentives to some Unions • Provision of training	of Unions receiving the grant • Capacity of the UP Secretary who takes care of project activities at the Union is limited • Performance assessment results are delayed, which makes availability of grants very late and leaves little time to implement within FY	effective, having a large number of Standing Committee members. ToT method (Capacitate UP Secretary first and use as a resource person) maybe effective
UZGP	UNDP, UNCDF, EU, SDC & Danida	• Provision of extensive training to both Upazila Parishad members and NBDs, which gives clear guidance on how to properly operate Upazila Parishads • Provision of reference materials, including Upazila Operational Manual, guidebook, etc. • Introduction of PBA, which provides self-awareness and incentives to some Upazila Parishads • Gender focus activities are incorporated	• Limitation of the number of Upazila Parishads receiving the grant • Some Upazila Parishads are not able to use the grant as expected: the grant is divided into small portions and allocated to Unions	• Needs and effectiveness of training became clear: lack of technical knowledge and skills have been hindering Upazila Parishad operations • Receiving the same training and standing on the same ground is important for both Upazila electorates and NBDs • For most Upazila Parishads, BDT 5 million is enough as an incentive to improve their governance, while some Upazila Parishads have large revenues that could be utilized for development purposes

Source: Created by the JICA Study Team based on the information from LGSP II Mid-term review report (2014), UPGP Consolidated Annual Report (2013) and UZGP webpage.

3.6.   Japanese Programs in the Local Governance Sector

3.6.1.   Japanese Programs in the Local Governance Sector

JICA has a long history of assisting Bangladesh to promote rural development and strengthen local governance.   It began in 1986 with the Joint Study on Agricultural and Rural Development (1986~1990).   The Joint Study on Rural Development Experiment (1992~1995) followed.   The concept of "Link Model" was first developed during this second Study.   The Link Model was further refined and expanded under the Participatory Rural Development Project (PRDP) during 2000~2004. Its success led to the continuation of the Participatory Rural Development Project Phase II (PRDP 2) implemented from 2005 to 2010.

In parallel with these technical cooperation projects, JICA has been implementing several yen-loan projects aiming particularly at the improvement of rural infrastructure.   They include the Greater Faridpur Rural Infrastructure Development Project (2001~2008), the Eastern Bangladesh Rural Infrastructure Development Project (2004~2009), the South-Western Bangladesh Rural Development Project (2010~2014) and the Northern Bangladesh Integrated Development Project (2013~2020). Though their main focus is on infrastructure improvement, these projects invariably include a component aimed at the capacity development of local government personnel.

3.6.2. Participatory Rural Development Project (PRDP) and Its Phase II (PRDP 2)

The Participatory Rural Development Project (PRDP) was initiated to verify the workability and adaptability of the Link Model in rural Bangladesh. The Link Model was so named because it tries to strengthen the horizontal linkage among the Union Parishad, NBDs working at the Union level and concerned local civil organizations and the vertical linkage between the Union and the Wards as well as between the Union and the Upazila. Three components were identified as essential to this model: Union Coordination Committee Meeting (UCCM), Gram Committee (GC) and Union Development Officer (UDO).[85] In addition, a small amount of grant was provided to each Union to finance small projects (schemes) identified by village people through a participatory process.[86] With BRDB being the counterpart agency, this project covered four Unions in Kalihati Upazila, Tangail District. After four years of implementation, it achieved four objectives: capacitated UDOs, functioning UCCs, community participation encouraged by GCs, and a new Cell (Link Model Cell) established at BRDB to promote the Link Model.

PRDP 2 subsequently expanded its coverage to 15 Unions (11 in Kalihati Upazila, Tangail District, 2 in Meherpur Sadar Upazila, Meherpur District and 2 in Titas Upazila, Comilla District).[87] The project purpose was revised to explicitly mention replication of the Link Model by the Government of Bangladesh as one target. The project achieved the same four objectives as PRDP's.

3.6.3. After PRDP 2

PRDP 2 ended in May 2010 with very significant and satisfactory results. It was then agreed by the Government of Bangladesh and JICA that BRDB would continue and replicate the Link Model with its own resources eventually to cover the whole Bangladesh. The extension program was started in 2009 with the following framework:

Its duration is from 2009 until 2014.[88] It will cover 200 Unions in total covering all Districts. Its budget is BDT 500 million, all coming from the Government of Bangladesh.

For BRDB to be able to take up this task, however, some modifications were necessary and made on the Link Model. First, the number of UDOs was halved. In the extension project, 1 UDO is assigned to take care of 2 Unions. Second, Gram Committees at the village level were set outside of the project scope. By contrast, UCC has been successfully institutionalized with a new name (Union Development Coordination Committee: UDCC) and a slightly different composition.[89]

BRDB is highly appreciative of PRDP for its new approach that is totally different from BRDB's traditional approach to rural development through cooperatives and micro credit. It calls PRDP's approach "holistic" to be compared with its conventional "target group approach."[90] It states that:

> BRDB now deeply feels that along with the target group approach, holistic approach of vertical and horizontal linkage of villagers and union parishad as focal point of development should be nourished and built-up in well coordination of all stakeholders particularly village representatives.[91]

With this in mind, BRDB intends to implement "PRDP 3" from July 2015 to June 2020 by extending the activities of the Link Model to cover all the Unions of Bangladesh.[92] In a separate statement, BRDB reiterates its firm commitment to the Link Model:

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[85] Gram Committee was originally called Village Committee by the Project.
[86] On average, about BDT 500,000 was provided for a Union per year.
[87] The original plan was 16 Unions but one Union was cancelled in Kalihati Upazila just before its implementation started.
[88] It was subsequently extended by one more year until 2015.
[89] LGD, "Circular on the Union Development Coordination Committee," February 13, 2011.
[90] BRDB homepage. http://www.brdb.gov.bd/index.php?option=com_content&task=view&id=334&Itemid=368
[91] *ibid.*
[92] PRDP-BRDB homepage. http://www.prdp-brdb.com/

The activity of Link Model will be incorporated into BRDB as its main activity after completion of the third phase of PRDP and the act of making coordination will be done in all development activities at rural areas with the help of this Link Model by BRDB's permanent framework. As part of this future plan, the decision of incorporating the activities of Link Model into BRDB as its main activities has been taken in its 45th board meeting.[93]

3.6.4. Achievements of PRDP and PRDP 2: An Evaluation

When the Joint Study on Agricultural and Rural Development started in 1986 as the first JICA project in the local governance sector, the experts quickly noticed that few social benefits or services, if any, reached the rural poor. Their allocation and distribution were uncoordinated and disorganized, not responsive to people's needs. This finding led them to the very basic notion of the Link Model that has underpinned both PRDP and PRDP 2: in Bangladesh the target group approach taken typically by many NGOs after the Comilla model is never sufficient to develop rural areas; what is necessary is to "link" local communities to the mainstream of local governance. This notion led to the creation of two new institutions of GC (at village) and UCC (at Union), the two essential components of the Link Model.

Achievement 1. These institutions have worked as intended. Social services provided by NBDs and NGOs started to reach the real targets. When allocating the grant, UCC members listen to the voices of GC representatives and decide its allocation (in terms of GC schemes) in an open and democratic manner. The horizontal and vertical linkages have been created and effectuated.

Achievement 2. In functionalizing the two institutions, PRDP and PRDP 2 were very mindful of upholding three principles: participation, democracy and self-help. For instance, UCC's regular meetings (UCCM) had friendly atmosphere encouraging people's spontaneous participation and democratic discussion. Another instance is that they did not establish Gram Committee in village unless villagers themselves wanted it created, an indication of valuing self-help spirit. Similarly, they required villagers to pay all taxes and contribute 20% of the total costs before villagers were granted a scheme they wanted, thus preventing "dependency syndrome" and instilling the sense of achievement among them.

Remaining weakness 1. Significant variation exists in the performance of Unions. This is largely attributable to personal characteristics of key actors: Union Parishad chairman and UDO. Lack of effective monitoring and punishment apparently contributes to this situation.

Remaining weakness 2. It is quite understandable that tremendous efforts were needed and devoted to create and functionalize new institutions of GC and UCC out of the complete void. All the efforts were directed to establish a new system. By contrast, scant attention seems to have been paid to the aspect of awareness, perspective or mindset of people, those in socially high positions in particular. If their awareness is not changed, it can happen that many schemes are constructed near the homes of Union Parishad members and chairperson as a result of their influencing the scheme selection process. Such a malpractice can still be accepted by others if they do not think it objectionable. As another example, the very poor segment of villagers may rarely receive any benefits in the form of schemes directly satisfying their needs because they tend to be neglected by people of higher status. Participation alone cannot prevent such things from happening. Awareness raising or enlightenment is needed for people, both high and low, rich and poor, to recognize that such things are violation of equality principle and to be avoided. Apparently, PRDP and PRDP 2 were very "busy" taking care of the new institutions and system and had no time to try to change people's perspective or mindset. This is quite natural considering the magnitude of their immediate tasks. Nonetheless, it should be pointed out that this aspect has been left untouched by both the projects.

3.6.5. UDCC as the New Institution at Union

People generally give a very positive evaluation to UCC (under PRDP and PRDP 2) and UDCC (as

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[93] *ibid.*

formalized by the LGD circular).   Though similar in composition, they have a few salient differences as summarized in Table 3.6.1.

Table 3.6.1   UCC and UDCC: Differences

	UCC under PRDP and Its Extension	UDCC not under PRDP or Its Extension
Chairperson	UP Chair	UP Chair
Member Secretary	--	UP Secretary
Facilitator	UDO	UP Secretary
Objective	Information sharing, coordination and decision-making	Information sharing and coordination

Main agenda for discussion (example)	- Report from Gram Committees
	- Report from NBDs
	- Discussion on schemes
	- Report from Union Parishad members
	- Miscellaneous*
		- Report from NBDs
		- Discussion (request) on schemes
		- Announcement from Union Parishad:
		    On the five-year plan preparation
		    On the recruitment of three village police personnel
		- Miscellaneous**

Main agenda for decision	Selection/allocation of GC schemes	--
Frequency	Once a month	At least once in two months
Number of members	About 40	About 40
Reporting	--	A report should be submitted to all Upazila officers, UNO and Deputy Commissioner

* Resolution of 20th Gharinda UCCM/UDCCM, Gharinda Union Parishad, Sadar Upazila, Tangail
** Interview with Union Secretary, Chouddashata Union, Kishoreganj Sadar Upazila, Kishoreganj
Source: JICA Study Team

It is evident that Secretary should do much heavier administrative work just to hold a UDCC meeting. He or she should write the invitation, distribute it, follow it up by the phone, order catering service for snacks, preside over the meeting, write the minutes, and so on.   Overloaded Secretary would easily be demotivated and give less importance to UDCC.

The decision-making body of Union is Union Parishad.   The coordination body is UDCC.   Under the current structure, UDCC includes Union Parishad as its part while Union Parishad as the decision-making body stands alone outside UDCC.   Here is unnecessary duplication or redundancy, which only increases the number of meetings.

A possible solution to this problem is the Integrated Union Parishad Meeting, an idea set forth by DDLG of Jessore District.   The Integrated Union Parishad Meeting is the combination of Union Parishad and UDCC or, in other words, Union Parishad meeting made open to the public concerned. The Integrated Union Parishad Meeting is an efficient way both to make transparent decision and to coordinate among concerned stakeholders simultaneously.

3.7.   Country Assistance Program of Japanese Government for Bangladesh and JICA's Assistance Strategy

3.7.1.   Japan's Country Assistance Program and the Project

Japan, in its "Country Assistance Program (CAP) for Bangladesh," states that "Accelerating sustainable economic growth with equity and bringing people out of poverty towards becoming a middle-income country as its Basic Principles of the Assistance" (Major Objective).   Also, it emphasizes "overcoming social vulnerability" as one of the priority areas (Medium Objectives).   The CAP states that Japan supports in delivering services and improving living conditions in the rural areas, and it also extends its assistance in any sector contributing to strengthening government functions and improving administrative services.

The Project aims to strengthen capacities of public administration of Upazilas in the rural area which is a vulnerable environment and where majority of lower income strata resides, and strengthen public services and rural infrastructure thereby improving living conditions of poor people.   Therefore, the Project will contribute to achieving Japan's CAP and its objectives.

3.7.2. JICA's Strategy to Support Local Governance in Bangladesh

JICA's analytical work which supports abovementioned Japan's CAP, also emphasizes strengthening public administration in local governments and improving services in rural areas.[94] Among four priority areas to support overcoming social vulnerability, two areas are especially relevant: improve in public services and civil participation in the decision-making process and support rural areas where the benefit of economic growth often does not reach.

Since low implementation capacity is a bottleneck in the provision of various public services, JICA will support GoB's endeavor to improve living conditions of people through improvement of public service provision at all levels of government from central to local. Especially, JICA emphasizes support to capacity development of core personnel at central level and expansion and promotion of the system to link rural residents to administration, a model that has been piloted and established in Japan's assistance in some rural areas.

Also, JICA notes support for rural areas to which the benefit of economic growth often does not reach. JICA will support objectives of eradicating regional inequality and poverty in the rural areas where 70 percent of population reside through providing rural infrastructure (rural roads, irrigation and drinking water supply facilities) and participatory planning, operation and maintenance using the result of technical cooperation.

In view of these, the Project to encourage and develop a cooperation system of residents and administration at sub-district (Upazila) level is highly relevant in relation to Japan's Country Assistance Program for Bangladesh and JICA's strategy to support the CAP.

3.8. Capacity Development for LGI Personnel

Some government training institutes and development partners supporting them provide training opportunities to personnel at the local government institutions. Activities of such organizations are reviewed in this section and it is tried to find implications for the required training in the Project.

3.8.1. Training Institutes for LGI Personnel

(1) National Institute of Local Government (NILG)

National Institute of Local Government (NILG), founded in 1969, states that their mission is to build capacity of Local Government Institutions in order to provide effective and efficient services for wellbeing of all people by developing and conducting training, research, and advocacy activities incorporating good governance. NILG organizes orientation training for elected officials of both rural and urban local government bodies such as chairperson and members of Union Parishads, Upazila Parishads, Zila Parishads, and Mayor and Councilors of Pourashavas and City Corporations. In addition to orientation training for the elected functionaries after their appointment, NILG offers specialized training on specific subjects for government officials like Directors, Local Government (DLG), Upazila Nirbahi Officers (UNO), Deputy Directors, Local Government (DDLG), Assistant Commissioners Land (AC Land), Upazila Project Implementation Officers (UPIO), etc.

Major areas of training are: (i) local government acts/ordinances, rules, regulations; (ii) local government finance including taxation, budgeting, accounting, auditing; (iii) office and personnel management; (iv) local-level planning and development; (v) environmental and disaster management; and (vi) development subjects particularly in line with PRSP and MDGs. The training program of NILG in FY 2014/15 is shown in Table 3.8.1.

Only UPGP and UZGP register their training in the plan for FY 2014/15. Formally, NILG is supposed to develop its training program through the training needs assessment workshop around May. In addition, NILG prepares training according to requests from donors financing them.

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[94] JICA, "Country Analytical Work" (May 2014), translation by the JICA Study Team.

Table 3.8.1   NILG's Training Plan for FY 2014/15

No	Course Title	Participants	No of Participants	Total Participants	No of Courses	Duration	Expected Expenditure
1.	City Corporation Administration notification course	Newly formed City Corporation Newly elected councilors	36 persons	360 persons	10	3 days	1,587,000/-
2.	Pourashava Administration notification course	Elected councilors of the Pourashava	36 persons	360 persons	10	3 days	1,587,000/-
3.	UP Administration notification course (Upazila level)	Newly elected Chairperson and Members of the UP	50 persons	3,750 persons	75	3 days	8,275,000/-
4.	UP Administration renewed notification course	Upazila Chairperson (District level, coastal belt)	50 persons	1,050 persons	21	3 days	3,216,000/-
5.	Foundation Training Course	Newly employed Secretary of the UP	50 persons	150 persons	3	30 days	3,414,750/-
6.	Role of Gram-Police maintaining law and order (Upazila level)	Gram-police in the Upazila	60 persons	3,000 persons	50	3 days	4,832,500/-
7.	Day-long notification workshop about Public Procurement	Councilors of the Pourashava	30 persons	210 persons	7	1 day	N/A
8.	ToT Course on confirmation of effectiveness of Planning, Budget, Standing Committee	Secretary of UP	35 persons	560 persons	16	2 days	N/A
9.	Upazila Law and Administration Foundation Training Course (funded by UPGP)	Upazila Chairperson and Vice-Chairperson, UNO, Family Planning Officer, Education Officer, Agriculture Officer, Engineer	40 persons	720 persons	18	5 days	N/A
10.	Trainers Training Course (funded by UPGP)	Secretary of Union Parishad	36/37 persons	146 persons	4	3 days	N/A
11.	UP Financial Management Course (funded by UPGP)	Secretary of Union Parishad	37 persons	148 persons	8	2 days	N/A
12.	Training Course on WDF's structure, frame and function (funded by UZGP)	Officers of Zila and Upazila level	40 persons	560 persons	14	3 days	N/A
13.	Disclosure of information (funded by UPGP)	Secretary of Union Parishad	36/37 persons	146 persons	4	3 days	N/A
	Total			**10,440 persons**	**240**		**2,29,12,250/-**

Source: NILG Training Program for FY 2014/15 (adjusted by JICA Study Team for this report)

(2)   Rural Development Academy (RDA)

The Rural Development Academy in Bogra was established in 1974 as a specialized national institution for training, research and action research related to rural development.   Initially it focused on the social and organizational aspects of rural development, but over the time it also started to give special

emphasis on technological development related to agriculture.

The mission of the Academy is to create environment for sustainable rural development through innovative ideas, approaches and practices.

The objectives of the Academy is to (i) impart training to the officials of government and non-government agencies, elected functionaries of local government bodies, cooperators, unemployed women and youths and others aiming at creation of skilled and efficient manpower in the field of rural development; (ii) conduct research on different socio-economic issues of the rural areas of the country; (iii) undertake action research to find out appropriate solutions to the socio-economic problems of the rural areas and develop replicable model for rural development; and (iv) provide advisory services to the government and non-government organizations on different rural development issues.

The training courses offered by the Academy are broadly categorized into four: on the job training, orientation course, skill development course and workshop, conference and seminar. Course contents of each program are selected considering the needs of the participants, their level in terms of literacy, professional background and experience.

Major areas of training includes: rural development concepts, policies, strategies, problems, institutions for rural development, poverty-focused development, cooperatives; institution building, local government, women empowerment, gender analysis, local-level planning, agricultural technology development including fisheries, horticulture, livestock and poultry development, crop production, soil management, seed technology, irrigation and water management, etc. and Foundation Training for BCS (Health) cadre officials. The Academy also offers "Post Graduate Diploma in Rural Development (PGDRD)."

(3)   Bangladesh Academy for Rural Development (BARD)

The Bangladesh Academy for Rural Development (BARD) in Comilla, a national institution for training, research and experiment on rural development was established in 1959.

The objectives of BARD are to (i) conduct training of government officials and others concerned with rural development; (ii) conduct research on rural development and allied fields; (iii) test and experiment concepts and theories of development; and (iv) provide advisory and consultative service to the government and other agencies.

The institute trains both officials and non-officials: (a) the officials comprise of civil servants, officers of Nation Building Departments and international participants of development-sector organizations; (b) non-officials are local councilors, local leaders, members of cooperatives, students of educational institutions, and members of voluntary organizations.

Major areas of training includes: (i) Training of Trainers (ToT) course; (ii) Research Methodology for Social Science Researchers; (iii) Participatory Rural Development and Management; (iv) Monitoring and Evaluation of Development Projects; (v) Development Project Planning and Management, (vi) Climate Change, (vii) Gender, (viii) Nutrition and Reproductive Health; and (ix) Foundation Training for BCS (Health) cadre officials.

(4)   National Academy for Planning and Development (NAPD)

The National Academy for Planning and Development (NAPD) started as a development project in 1980 with a view to enhancing capabilities of the Government officials in respect of planning and development.

The objectives of the Academy are to (i) organize institutional in-service training programs for officers of the Planning Commission, Economic Relations Division (ERD), Implementation Monitoring and Evaluation Division (IMED), and officials of planning and other wings of different ministries/agencies; (ii) arrange pre-service and functional training for new entrants in BCS (Economic) cadre and foundation training for the officers of BCS (Health) cadre; (iii) conduct special training courses for officials of other organizations on request; (iv) provide consultancy services to ministries/agencies in

pre-investment feasibility studies and in the formulation, appraisal, monitoring and evaluation of development projects; and (v) conduct research and evaluation studies on issues pertaining to development.

NAPD primarily imparts training on "Project Planning and Management." It focuses attention to "Economic Development," "Administration" and "Information and Communication Technology (ICT)." The Academy offers a "Post-Graduate Diploma in Development Planning" and "Post-Graduate Diploma in ICT." It also organizes customized courses on various utility-based topics as per request of different organizations. The courses include planning and project management, project feasibility/appraisal study, monitoring and evaluation of development projects, procurement management, leadership and strategic planning, financial management, IMED monitoring and reporting procedure, project formulation, departmental training for BCS (Economic) cadre officers, human resource management, Millennium Development Goals, office management, English language proficiency, computer basics, personal computer troubleshooting, project planning, development and management (PPDM), and foundation training for BCS (Health) cadre officers.

(5)　　Bangladesh Institute of Management (BIM)

The Bangladesh Institute of Management, established in 1961, states mission to be a leading center of excellence for management development through a committed professional team. The institute has training facilities in Dhaka, Chittagong and Khulna.

The objectives of BIM are to (i) train and develop mangers of all levels engaged in commercial, industrial service organizations of private and public sector and NGOs; and (ii) help improve productivity in different sectors of the economy through training, research and consultancy services, etc.

The institute offers two types of courses. Short Courses of one to four weeks long and Diploma Courses of one-year duration. Short Courses offer lectures on management studies such as general management, financial management, project management, entrepreneurships development, marketing, industrial engineering, etc. Diploma Courses offer Post Graduate Diploma Courses on human resource management, industrial management, marketing management, financial management, computer science and compliance management.

3.8.2.　　Capacity Development Programs Provided by International Donors' Projects

(1)　　Participatory Rural Development Project 2 (PRDP 2) by JICA

The PRDP 2 was implemented by JICA from 2005 to 2010. In order to pursue PRDP activities successfully, human resources development was the utmost important component. Training modules provided in PRDP 2 are as follows.

Table 3.8.2　　Donor's Training for LGIs (PRDP 2)

Name of Program	Training Module	Target
PRDP 2	Orientation training programs for officers and staff	Central, District, Upazila and Union levels
	Intensive and continuous skill and On-the-Job type training (OJT)	UDOs and other organizers
	Skill training for all the UCCM participants	All the UCCM participants including Village Committee (VC) representatives, Union Parishads, NBDs and NGOs functionaries
	Exchange and mutual visit programs	All concerned VC members

Source: Created by the JICA Study Team from sources of JICA

In the Mid-Term Evaluation reported in 2007, it was stated that UCCM was held on a regular basis in all pilot areas and a sense of accountability was developed among stakeholders. The review also recognized the importance of UDO as a facilitator of local governance and recommended further cooperation with LGSP whose target was UP as well.

(2)   Local Governance Support Project (LGSP) by the World Bank

The LGSP was initiated by the World Bank from 2006 to 2010 (LGSP 1) and from 2011 to 2016 (LGSP 2).   The project provides matching grants and capacity building support to Union Parishads across Bangladesh.   Union Parishads are audited each year and those that receive a clean audit take an expanded block grant.   The components of the on-going LGSP 2 are:

-    To provide Union Parishads with direct block grants for improving local services and incentivizing accountability and performance;

-    To strengthen systems of downward and upward accountability, improve transparency and support informed decision-making among Union Parishads;

-    To build capacities of Union Parishads to deliver public goods and services in accountable and responsible ways, and strengthen key central agencies to make policy and manage the local government system effectively; and

-    To support project management, including financial management, procurement, safeguards, grievance redress and incremental operating costs.

Table 3.8.3   Donor's Training for Union Level (LGSP II)

Name of Program	Training Type	Target
LGSP 2	Master Trainers Training (ToT)	NILG, BARD and RDA
	Training of Trainers (ToT)	URT - LGSP
	Basic training for UP functionaries on project components, participatory planning, financial management, procurement methods and overall implementation process	UP Functionaries chairpersons, members, female UP members and secretaries
	Training on planning, scheme implementation and scheme supervision	Members of Ward Committee and Scheme Supervision Committee
	Training on DDLG's roles and responsibilities under LGSP	DDLG
	District Facilitators Training	District Facilitators

Source: Created by JICA Study Team from LGSP II Mid-term Review Report (2014)

LGSP 2 developed a Union Parishad Operational Manual for the training.   According to its Mid-term review, trainees recognize contents of training materials including the manual are relevant to their works at Union level.

(3)   Upazila Governance Project (UZGP) and Union Parishad Governance Project (UPGP) by UNDP

The UZGP (2011-2016) aims to strengthen the capacity of Upazila Parishads as more functional, democratic, transparent and accountable institutions.   Under this aim, UZGP provides training for Upazila Parishads as shown in Table 3.8.4 below.   Based on the Upazila Parishad Manual, general information on Upazila Parishad legal and administrative structure, Standing Committee, development plans and budgeting, and financial management and resource mobilization is instructed in the five-day Basic Training for Upazila Parishad Chairpersons, Vice-chairs, UNOs, Primary Education Officers, LGED Engineers, Family Planning Officers, and Agriculture Officers.   In addition to the basic training, UZGP holds specialized training courses such as "Planning and Budgeting," "Leadership, Teambuilding, and Management," and "Financial Management and Public Procurement Rules" for these Upazila Parishad functionaries.

Table 3.8.4   Donor's Training for Upazila Level (UZGP)

Name of Program	Training Type	Target
UZGP	General training on roles and functions of Upazila Parishads as per the Upazila Parishad Act 2009	Upazila Parishads

	Specialized training on planning and budgeting, leadership and management, financial management, office skills and Standing Committee functioning	Upazila Parishads
	Training on M&E and social audit/assessments/feedback	Upazila Parishads
	Training on improving coaching, mentoring and backstopping support skills	DLGs and DDLGs
	Training on the Right to Information Act 2009	Designated information officers and Upazila Parishads representatives
	ToT on capacity building of WDF	Government officials from Districts and Upazila Parishads
	Training for WDF	WDF established at district level (by all concerned female Upazila Parishad members)
	In-country training by external international expert (Strengthening technical capacity of LGD)	Local government stakeholders both government officials, elected representatives and project personnel on local governance and decentralization

Source: Created by JICA Study Team from UZGP Annual Work Program and UZGP Joint Program Document

In 2013, UPGP (2011-2016) offered a two-day training on Management Information System (MIS) to 196 Union Parishad Secretaries and Union Information and Service Centre (UISC) entrepreneurs. The Union Parishad Secretaries and UISC entrepreneurs were trained on the use and maintenance of integrated accounting software and MIS of Union Parishads through the course. There was a need for an effective MIS system in Union Parishads and it is expected that the training will improve financial accountability and transparency of Union Parishads by building an effective information flow from Union Parishads to central level.

These special training courses above are significantly useful for officials to accomplish practical works at local government level. A number of Upazilas and Unions face lack of resources such as budget, manpower, knowledge, and facilities. For example, UZGP and UPGP held a two-day report writing training in 2013 and both central and field-level staff took part in the training. It was informed that the report writing skills of the staff greatly improved after the training. This type of needs-based training for applicants is not only efficient to secure quality of public service but also cost-effective.

3.8.3. Comparison of Training Institutes and Implication for Capacity Development in the Project

The details of training institutions to the local government institution explained in section 3.8.1 are summarized in Table 3.8.5 below. In MLGRD&C, there are three training institutions: National Institute of Local Government (NILG), RDA and BARD. Among these national level training institutes, only National Institute of Local Government (NILG) is mandated to provide training to local government functionaries. As shown in Table 3.8.6, NILG has more lecture rooms than any other training institutes listed. NILG also has an advantageous location, which enables the institute to invite relevant and informative resource persons in its training. Therefore, NILG seems to suit for the core training institute for the Project.

However, we should bear in mind that the other training institutions also contribute to the training for local government stakeholders. For example, Bangladesh Academy for Rural Development (BARD) and Rural Development Academy (RDA) have frequently shared the load of training to the elected representatives and Upazila-level officials as per government instruction. In addition, UZGP has included the National Academy for Planning Development (NAPD) and Bangladesh Institute of Management (BIM) to share the responsibility of conducting "Basic Training Course on Upazila Parishad Law and Administration" for the Upazila Chairpersons, Vice-chairpersons and government officials. It would be realistic and effective to involve other training institutes such as BARD and RDA as additional training providers for the Project.

Table 3.8.5   Summary of Training Institutes for Local Government Functionaries

Name	National Institute of Local Government (NILG)	Rural Development Academy (RDA)	Bangladesh Academy for Rural Development (BARD)	National Academy for Planning and Development (NAPD)	Bangladesh Institute of Management (BIM)
Supervising Ministry	Local Government Division, MLGRD&C	Rural Development and Cooperatives Division, MLGRD&C	Rural Development and Cooperatives Division, MLGRD&C	Ministry of Planning	Ministry of Industries
Objective	To build the capacity of LGIs through training, research and consultancy services on local government issues.	To conduct training, research and action research in the field of rural development to create environment for sustainable rural development.	To conduct training, research and action research to generate efficient manpower and develop replicable model for rural development.	To enhance the capabilities of the Government officials in respect of planning and development, etc.	To develop managers of all levels engaged in commercial, industrial service organizations of private and public sectors and NGOs through training.
Training Courses	· Orientation · Foundation · Sperialized Subject Matter · Refresher · TOT	· Orientation · On-the-Job Training · Skill Development	N/A	· Regular Course (Day and Evening) · Request Course · Evening Course	· Short Course · Diploma Courses
Training Areas	· Local government acts/ordinances, rules, regulations · Local government finance including taxation, budgeting, accounting, auditing · Office and personnel management · Local level planning and development · Environmental and disaster management · Development subjects particularly in line with PRSP and MDGs	· Rural development concepts, policies, strategies, problems, and institutions for rural development · Poverty focused development · Cooperatives · Institution building · Local government · Women empowerment · Gender analysis · Local level planning · Agricultural technology development	· Research Methodology for Social Science Researchers · Participatory Rural Development and Management · Monitoring and Evaluation of Development Projects · Development Project Planning and Management · Climate Change · Gender, Nutrition and Reproductive Health	· Project Management · ICT · Language · Human Resource Management	· General Management · Financial Management · Project Management · Entrepreneurships Development · Human Resource Management · Industrial Management · Marketing Management · Financial Management · Computer Science

Source: Training Calendar 2013-2014, website of each institute and Working Paper, 24th Planning Conference 2014-15

Table 3.8.6　Facilities of Training Institutes

Name	National Institute of Local Government (NILG)	Rural Development Academy (RDA)	Bangladesh Academy for Rural Development (BARD)	National Academy for Planning and Development (NAPD)	Bangladesh Institute of Management (BIM)
Supervising Ministry	Local Government Division, MLGRD&C	Rural Development and Cooperatives Division, MLGRD&C	Rural Development and Cooperatives Division, MLGRD&C	Ministry of Planning	Ministry of Industries
Location	Dhaka	Bogra	Comilla	Dhaka	Dhaka, Chittagong and Khulna
No. of Instructors	30	50	60	17	N/A
No. of Main Facilities:					
Lecture room (Capacity)	13	4	5	7	11: Dhaka 5: Chittagong 2: Khulna (220, 100 and 40, respectively)
Conference room	5	6	4	1	0
Auditorium	2	1	2	1	2
Lodging capacity	100	330	390	115	50
Cafeteria (Capacity)	2 (150)	4 (500)	3	2 (175)	1 (100)

Source: Training Calendar 2013-2014, website of each institute and Working Paper, 24th Planning Conference 2014-15

CHAPTER 4   SAMPLE UPAZILA SURVEY

4.1.   Purpose and Methodology

In order to update the current condition of Upazilas, the JICA Study Team conducted "Baseline Questionnaire Survey for Upazila Development." The purpose of this survey is to collect actual information and comments in selected Upazilas and to compare them area-wise.

The adopted method is simple questionnaire interview survey to various stakeholders in Upazilas. In addition, surveyors asked Upazila and Union Chairpersons a variety of detailed information on local governance.

4.2.   Sample Upazilas

Local Government Division (LGD) and JICA Bangladesh Office selected twenty-five Upazilas shown in Table 4.2.1 and Figure 4.2.1. These Upazilas show a wide variety of characters. Many of the selected Upazilas have been supported by various development partners including SDLG, UZGP and PRDP.

4.3.   Scope of the Survey

The Survey is intended to collect information and opinions from various stakeholders in Upazilas. Most of the questions are numerically expressed so that the results can be quantitatively analyzed. There are several scopes as follows.

4.3.1.   Basic Governance Information of Upazilas

Form 3 asks chairpersons of Upazilas and Unions about staffing and financing outlines. In addition, it also asks outline of rural infrastructure in Upazilas.

Form 3 mainly focuses on acquiring objective data on Upazilas and Unions. Other Forms are to ask opinions and attitudes of interviewees.

4.3.2.   Opinions on Needs of Rural Infrastructure and Development Issues and Awareness of International Partners' Program

Form 4 asks all stakeholders about needs of rural infrastructure. Form 5 and Form 6 ask awareness of national policy and international development partners' programs, respectively.

4.3.3.   Opinions and Comments on Local Government Issues

Form 7 asks for local government staff about various development issues and opinions.

Table 4.2.1   Twenty-Five Upazilas to Survey

No	Division	District	Upazila	Union	Area (sq.km)	Population (2011)	Sample Size	Criteria/ Characteristic
1	Dhaka	Gazipur	Sreepur	16	462.9	492,792	33	Urban
2		Faridpur	Boalmari	11	271.7	256,658	32	Remote
3			Alfadanga	6	127.9	108,302	32	Remote
4		Gopalganj	Tungipara	5	128.5	100,893	32	
5			Kotalipara	12	355.9	230,493	32	Remote
6		Jamalpur	Melandaha	11	258.3	313,182	32	Remote
7		Kishoregonj	Itna	9	401.9	164,127	32	Lowland
8	Chittagong	Rangamati	Rangamati Sadar	6	546.5	124,728	30	Hilly
9		Chandpur	Haimchar	6	134.2	109,575	32	Island
10			Hajigonj	11	189.9	330,477	33	
11		Feni	Parshuram	3	95.8	101,062	35	
12		Comilla	Chouddagram	13	270.5	443,648	33	PRDP
13	Rajshahi	Sirajganj	Sirajganj Sador	10	320.2	555,155	33	UZGP
14		Bogra	Shahjahanpur	9	221.7	289,804	34	PRDP & SDLG
15		Naogaon	Porsha	6	252.8	132,095	32	PRDP & SDLG
16		Rajsshahi	Durgapur	14	197.9	185,845	33	PRDP & SDLG
17	Khulna	Kustiya	Daulatpur	22	468.8	456,372	33	PRDP
18		Bagerhet	Sarankhola	4	756.6	119,084	33	PRDP
19		Magura	Magura Sadar	13	401.6	380,107	33	
20	Barisal	Burguna	Betagi	7	167.8	117,145	33	UZGP
21		Barisal	Mehendigonj	13	419.0	301,046	32	
22			Agoiljhara	5	155.5	149,456	33	PRDP
23	Sylhet	Maulvibazar	Sreemangal	9	450.7	318,025	32	
24	Rangpur	Gaibandha	Fulchari	7	314.0	165,334	33	SDLG
25		Rangpur	Pirganj	25	411.3	385,499	32	UZGP
Total				253	7781.8	6,330,904	814	

Note: Data sources of population and area are BBS Census 2011.
Note: PRDP: Participatory Rural Development Project, SDLG: Strengthening Democracy and Local Governance, UZGP: Upazila Governance Project.

4.4.   Tender Process and Its Result

JICA Study Team shortlisted five consulting companies based on existing reputation and past experience and invited them to submit proposals on August 19, 2014.   Four companies submitted proposals by the due date of August 27, 2014.   JICA Study Team adopted the Quality and Cost Based Selection (QCBS) to select the finalist.   Through this QCBS, the Bangladesh Institute of Development Studies (BIDS) was selected as the contractor.

After a contract negotiation, a contract was made on September 1, 2014.   The survey started in September and BIDS finished the field survey by the end of October.   Total survey conducted total 814 interviews.

Selected 25 Upazilas
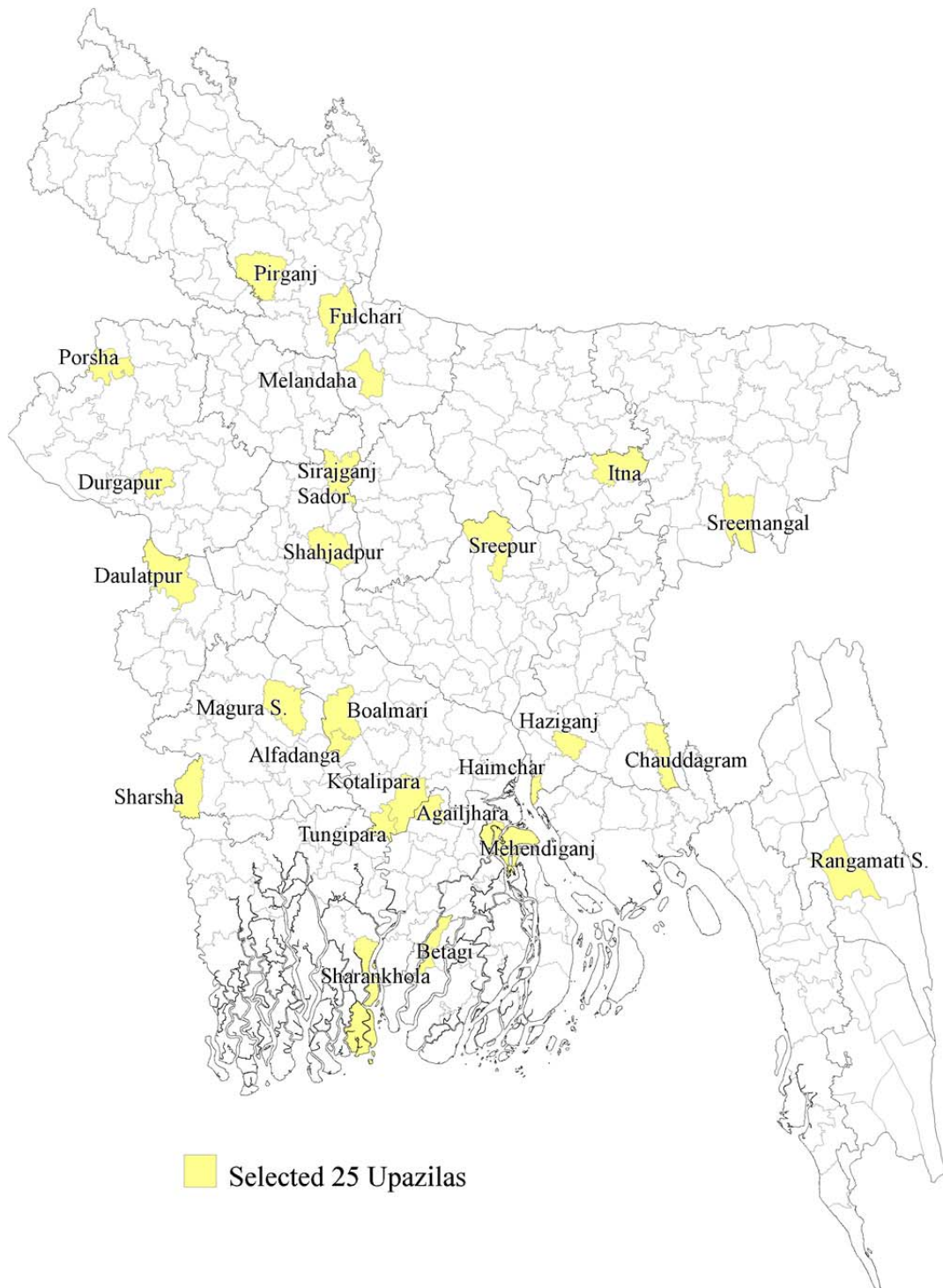
Figure 4.2.1   Location of Selected Upazilas

4.5. Survey Results

The detailed results of the survey are attached as Appendix 1 of this report. This section summarizes the main results of the survey.

4.5.1. Profile of Interviewees

A total of 814 interviewees responded to this survey. On average, 32 interviewees per Upazila answered this survey. Among them, 296 interviewees, 36% of total, belonged to the public sector and others came from the private sector. Table 4.5.1 shows the age and sex of the sample population.

Table 4.5.1   Age and Sex of Sample Population

	Sample Size	Age		
		Minimum	Average	Maximum
Male	600	18	43.2	82
Female	214	18	33.5	64
Total	814	18	40.6	82

The male interviewees are significantly older than the females. The average age is around 40 years old. The oldest interviewee, 82 years old, is a fisherman in Sirajganj Sador Upazila.

As for the profile of Upazila and Union executives, the chairpersons of Upazilas and Unions are around 50 years old and other officers are mostly younger than the chairpersons. Chairpersons have stayed in the position in very long time, more than 20 years on average. Percentage of male is significantly high in any position other than AC Land. Especially, all Upazila Engineers are male.

4.5.2. Basic Governance Information of Upazilas

Form 3 asked chairpersons of Upazilas and Unions about staffing and financing outlines. In addition, it also asked the outline of rural infrastructure in Upazilas. Form 3 mainly focused on acquiring objective data on Upazilas and Unions. Other Forms were to ask opinions and attitudes of the interviewees.

These questionnaires revealed the outline of financial situation of Upazilas and enabled us to compare it among Upazilas. The following average numbers illustrate the outline of sampled Upazila and Unions:

- -Upazila Population: 259,776 persons
- -Union Population: 27,499 persons
- -Upazila Yearly Income (2013-14): BDT 26,500,000
- -Union Yearly Income (2013-14): BDT 9,411,983
- -Upazila Yearly ADP (2013-14): BDT 14,600,000
- -Union Yearly ADP (2013-14): BDT 5,096,090

None of the 25 Upazilas had its Five Year Plan but 20 Upazilas had their yearly budget plan. In addition, 24 out of 25 Upazilas presented their financial statements to LGD. This implies that the Five Year Plan is still a challenge to Upazilas but Upazilas already have their own yearly budget plan and most Upazilas present their financial statements to LGD.

Upazilas have 586-km long roads on average and 215 km of them are paved/semi paved/bricked roads. This means that 37% of their roads are paved. In the education sector, Upazilas have 137 primary schools and hold 34,732 pupils on average. In the health sector, Upazilas have 19.4 health centers and 5.2 clinics and hospital on average. In the water sector, Upazilas have average 3,003 tube wells.

4.5.3. Opinions on Needs of Rural Infrastructure and Development Issues and Awareness of International Partners' Program

Form 4 describes the needs for rural infrastructure and capacity development. Its results are analyzed

division wise. It shows that the needs for rural infrastructure slightly differ by area. Most divisions prioritized the rural road development except two divisions of Rajshahi and Rangpur. By contrast, all divisions gave flood management a low priority.

From the viewpoint of interviewee category, government staff and residents prioritized the rural road development as the top development issue. Project staff and NGO officers considered different areas for major development issues.

Form 5 asked detailed priority areas within each infrastructure category. The priority differed by division. It is understood that the regional characteristics are reflected in these priority areas.

Form 6 asked awareness of national policy and international development partners' programs. This section is analyzed basically by interviewee category. Regarding the familiarity with national policy and programs on local governance, government staff naturally showed the best familiarity for the policy and programs while residents showed less. This means that NGO staff and residents are very unfamiliar with the national policy and program. From the viewpoint of generation, 50s male and 60s+ female were the most familiar groups within each group. Younger generations of 20s were the least familiar group.

In terms of seminar and workshop on national policies and programs for local governance, 57% of government staff joined such meetings within one year, while 40% of residents did so. The residents' participation rate is considerably high but it is not reflected in their familiarity with the national policies as described above.

With respect to the satisfactory level of local governance policy and program, residents were more satisfied than government staff. It might look strange but it might be because residents were not familiar with the policy and programs as shown above.

Furthermore, it also asked information on international development partners and their projects. LGSP is relatively well known among government staff, while other projects are not so well known among the interviewees. Project staff are familiar with their own projects and their familiarity is high. Naturally, almost half of government staff and project staff joined a seminar or workshop within the past one year. Even so, 20% of residents also joined such meetings.

Although PRDP was not well known among people, evaluation by those who know it is high. UDCC is well known to people and it is highly evaluated for all categories. UDO is known by almost half of interviewees and its evaluation is also high.

4.5.4. Opinions and Comments on Local Government Issues

Form 7 asks for local government staff about various development issues and opinions. While Upazila Parishad meetings are held 9.6 times per year, Upazila Chairpersons attend it only 7.5 times. Because Union chairpersons are required to attend both Upazila and Union Parishad meetings, Union chairpersons attended more meetings than Upazila chairpersons.

Upazila and Union Chairpersons think that budget is insufficient. Main reasons for budget insufficiency are also similar among Upazilas and Unions. Both depend on the allocation from the national budget, but they also consider collecting their own taxes. They seriously consider the revenue side but are not so serious about the expenditure side.

For the staff sufficiency, Upazilas had more sufficient staff than Unions. Upazilas' responses are close to "neutral" whereas Unions' are close to "insufficient." Regarding the necessity of capacity development of their staff, Upazilas show high demand for good governance and budget planning while Unions have the demand for ICT, tax collection and good governance

With regard to chairpersons of Upazilas and Unions, people are very cooperative with them and positively participate in public activities. People favorably evaluate the chairpersons.

CHAPTER 5   PRELIINARY DESIGN OF THE PROJECT

5.1.   Overall Process of the Project

5.1.1.   Outline of the Project

(1)   Project Objective

The objective of this Project is to enhance the capacity of Upazila Parishad to deliver effective public services to citizens by providing capacity development programs and fiscal transfer to Upazila Parishad, thereby contributing to reinforcing local government structure of Bangladesh.   Specific objectives are as follows:

- To enhance Upazila ADP by providing a Japanese ODA loan to expand the expenditure by local government institutions (LGIs) toward responsive public service delivery and infrastructure development led by Upazila Parishad;

- To improve mutual accountability between LGIs and NBDs both at Upazila and Union levels, and to facilitate synergy effects of their cooperation for better public service delivery;

- To improve transparency of Upazila Parishad to local communities through UDCC and other good governance measures;

- To strengthen the capacity of LGIs' and NBDs' staff and their collaboration mechanism; and

- To facilitate an appropriate decentralization process.

(2)   Measures for governance improvement

To achieve the Project objectives stated above, it is necessary to initiate a comprehensive and integrated project to strengthen local governance focusing particularly on Upazila Parishad as a pivotal institution to realize decentralized and effective service delivery to local communities throughout the country. The Project components thus designed consist of activities that directly contribute to achieve above project objectives.   Some salient features of the project components are:

- Increase Upazila Parishad's fiscal discretion by providing additional funds under Upazila's control (Component 1).

- While the Project objective is to cover all Upazila Parishads eventually, it initially limits the number of selected Upazila Parishads.   The Project will introduce performance based allocation in a competitive environment, and by doing so it encourages Upazila Parishads to improve their performance during the project period.   Also by doing so the Project mitigates fiduciary risks involved in the Project.

- The Project provides a list of sub-projects eligible for the Project financing.   By providing a 'menu' of positive and negative list and requesting Upazila Parishads to follow the government ADP guidelines, the Project encourages Upazila Parishads to invest in balanced development within their discretion.

- The Project provides comprehensive training at the central level (Subcomponent 2.1).   While basic training and risk mitigation control are provided at the central level, the Project encourages local-level training by decentralizing training implementation, and encourages demand-driven training financed with Project funds.   In addition, the Project ensures the improvement at field level by providing additional personnel (Upazila Development Facilitator) to Upazila Parishad.   This provides opportunity for learning by doing and on-the-job training at Upazila level for two years (Subcomponent 2.2).

- The training programs (Subcomponent 2.1) covers all Upazilas Parishads.   Some special

training for not-ready Upazilas will be provided additionally, so that the Project could expand its coverage of financial assistance.

- The Project also invests in Project Management. While some fiduciary risks are inevitable in an innovative project, risk mitigation measures such as audit and performance assessment will be supported by the Project (Subcomponents 3.2 and 3.3).

(3) Project Components

To achieve the objectives above, the Project consists of following components:

- **Component 1**: *Upazila* Development for Improving Service Delivery

- **Component 2**: Capacity Development and Governance Improvement

  Subcomponent 2.1: Capacity Development
  Subcomponent 2.2: *Upazila* Governance Improvement Action Program (at *Upazila* level)
  Subcomponent 2.3: *Upazila Parishad* Sector Reform (by LGD)

- **Component 3**: Project Management Support

  Subcomponent 3.1: Baseline Survey and Engineering Support
  Subcomponent 3.2: Audit Support
  Subcomponent 3.3: Governance Performance Assessment Support

- **Component 4**: Consulting Services

Some brief descriptions of the Project components will follow.

(a) Component 1: Upazila Development for Improving Service Delivery

This component will financially support Upazila Parishads to conduct development activities for improving public service deliveries. Component 1 includes development activities (sub-projects) such as rural infrastructure project/schemes and capacity development whose budget is requested based on the actual needs of Upazila Parishad. The sub-projects in respective Upazila Parishads will be selected from the development plan of Upazila Parishad and identified through Upazila Parishad's formal planning and adoption process.

Although the Project will eventually expand its financial assistance to all 489 Upazilas as target, the fund allocation under this component will be performance based. Only selected Upazilas will receive financial assistance. The mechanism of Upazila selection will be discussed in Section 5.2.

The indicative size of the funds given to one Upazila Parishad under this component will be BDT 3 to 5 million per year. This will nearly double the annual government ADP grant to Upazila Parishad.

(b) Component 2: Capacity Development and Governance Improvement

This component consists of three subcomponents; subcomponent 2.1 is capacity development; subcomponent 2.2 is Upazila Parishad Governance Improvement Action Program; and subcomponent 2.3 is Upazila Parishad Sector Reform.

Subcomponent 2.1: Capacity Development

This subcomponent will develop capacity of (i) Upazila Parishad elected representatives, (ii) Upazila Nirbahi Officers, (iii) NBD officers in Upazila Parishad and (iv) LGD officials. A comprehensive and wide range of training will be provided to those stakeholders.

Subcomponent 2.2: Upazila Parishad Governance Improvement Action Program

To strengthen Upazila Parishads, they need to be engaged in a series of governance and financial improvement activities with accordance to the Upazila Parishad functions stipulated in the Upazila Parishad Act 1998 (rev 2009, 2011). Those activities will be directly related to the governance

performance indicators set by the Project.

To support Upazila Parishad to conduct those activities and project activities, the Project will deploy project-supported facilitators named "Upazila Development Facilitator (UDF)" to the selected Upazilas. UDF will work for that Upazila Parishad under the supervision of Deputy Director, Local Government and the technical guidance by Project Management Unit of the Project. For enhancing the Upazila Parishad's independence and sustainability, UDF will provide intensive technical support to one Upazila Parishad for two years. After two years, the UDF will move to another Upazila Parishad.

Subcomponent 2.3: Upazila Parishad Sector Reform

The Upazila Parishad Sector Reform is produced through the analysis of functions of Upazila Parishad laid down in the Upazila Parishad Act (1998). These reforms are necessary to enhance Upazila Parishad as a local government institution as well as maintain sustainability of the Project.

The Sector Reform includes activities to be initiated by LGD but necessitates coordination with other ministries and agencies as well. The progress of this subcomponent will be discussed in the Steering Committee of the Project, which is the umbrella cooperation framework to link several concerned ministries. This Sector Reform will be discussed in Section 7.1 below.

(c) Component 3: Project Management Support

This component will support overall management of the Project. It consists of three parts: baseline survey and engineering support, audit support, and governance performance assessment support.

Subcomponent 3.1: Baseline Survey and Engineering Support

With support from the consultants, the Project will conduct baseline survey of the Project. Some engineers will be hired on a contract basis to review and check the sub-project proposals from the recipient Upazila Parishads.

Subcomponent 3.2: Audit Support

The Project will provide support for audit on Upazila Parishad Development Fund accounts, in cooperation with Comptroller and Auditor General (C&AG). The Project has planned to utilize the national roaster of accredited local government auditors established by the Second Local Government Support Project (LGSP 2), supported by the World Bank. In addition, the Project will be audited by the Foreign-Aided Projects Audit Directorate (FAPAD) of C&AG.

Subcomponent 3.3: Governance Performance Assessment Support

A review on the past and on-going experiences by other projects suggests that "performance based allocation" will give a strong incentive for Upazilas to be engaged in reform activities to improve local governance and project management. The Project will therefore introduce a performance-based governance fund system to enhance the sustainability and effectiveness of the Project. The Project and PMU conduct annual performance assessment to monitor their improvement and select the Upazila Parishads qualified to the next round of financial assistance.

(d) Component 4: Consulting Services

Component 4 will support managing overall components, implementing and reporting for the Project. The consultants will assist PMU in (i) preparing and managing the project implementation plans; (ii) supervising, monitoring and reporting including cost and quality control, the implementation of all subprojects, (iii) proceeding all the disbursement-related administrative operation; (iv) providing training for capacity development; (v) managing UDFs; (vi) conducting the baseline survey and midterm assessment; and (vii) supporting procedure for environmental and social considerations.

5.1.2. Overall Process of the Project

Two steps should be taken to select eligible Upazilas (Selected Upazila) that can apply for additional

sub-project funds. First step is to examine whether the Upazila has a bottom-line capacity to implement subprojects under the Project. A set of indicators of preconditions is going to be used to identify Upazilas that do not have minimum implementation capacity.

After screening the Upazilas, all remaining Upazilas should be ranked according to the scores of governance indicators established prior to the commencement of the Project. For the first round of the Project, those Upazila Parishads which are ranked in the top 100 will be selected as Upazilas eligible for the first round financial assistance. The Project will conduct performance assessment each year and increase the number of selected Upazilas gradually to cover all Upazilas.

5.2. Target Upazila Selection: Framework

5.2.1. Rationale for Upazila Selection

There are 489 Upazila Parishads in total as of January 2015. If the Project aims to promote "proper public service delivery and infrastructure development" by Upazila Parishads, there is no reason to limit the number of Upazila Parishads that receive the Project funds; all should be eligible. Two particular considerations, however, necessitate selection of some Upazila Parishads as recipients of the funds.

One is how to promote "proper" public service delivery and infrastructure development. It is a common understanding that not all LGIs follow a democratic process to allocate their budget or manage the public funds in a proper manner. One way to discourage and curb such misconducts is to award more money to those LGIs which perform properly. This idea is underlying the concept of Performance Based Allocation and this Project will also adopt it as a main philosophical pillar. The Project would reward those good-performing Upazilas as an LGI while encouraging others with poor records to try to excel in local governance to become eligible for additional financial resources.

The other consideration is more practical. In view of the limited experience of LGD in managing yen loan projects and the generally low capacity of Upazila Parishads to administer such a foreign-funded project, it does not seem feasible to cover hundreds of Upazila Parishads from the beginning. Gradual expansion will be a prudent and appropriate way to implement this Project.

Thus this Project will select some Upazila Parishads and provide funds to them only. The selection will be done in two steps: qualification and performance assessment. The first step is to examine whether the Upazila has a bottom-line capacity to implement subprojects under the Project. A set of indicators of preconditions is going to be used to screen and disqualify Upazila Parishads that do not have minimally required capacity.

After the first step, all qualified Upazilas will be ranked according to the scores of governance indicators set prior to the commencement of the Project. The second step of selection is to select some high scorers. For the first round of the Project, those Upazila Parishads that are ranked in the top 100 will be selected. This performance assessment is to be repeated next year to select top 200. In this way the number of the selected Upazila Parishads will increase by 100 per year.

5.2.2. First Step: Qualification According to Some Preconditions

The Project will screen all Upazilas with respect to some preconditions and disqualify those Upazilas which do not satisfy all of them. The purpose of this screening is to disqualify any not-ready Upazilas at the starting point. Four preconditions will be applied:

1) Upazila Parishad meetings being held properly and regularly;
2) Status of 17 Standing Committees;
3) Existence of budget and development plans as stipulated in Sections 38 and 42 of the Upazila Parishad Act 1998; and
4) Status of ADP implementation and reporting for the last three years.

Some details of precondition indicators are explained in Section 5.3 below. Even if an Upazila is considered "not-ready" for financial assistance for subprojects, it still is a target for capacity

development programs under Component 2.

5.2.3. Second Step: Ranking

To measure administrative performance of the Upazila Parishad, several performance indicators are set concerning four important aspects of Upazila governance:

1) Institutional capacity according to the Upazila Parishad Act 1998 (revised in 2009, 2011) and related ordinances;
2) Capacity of financial management;
3) Capacity of development planning and budgeting; and
4) Transparency and accountability.

Under each category, there will be four specific indicators, as explained in detail in the following Section.   For the first year, the Upazilas ranked 1 to 100 will be categorized as eligible for financial assistance given by the Project.   The number of selected Upazilas will increase by 100 per year, as shown below:

Year 1   100 Upazilas (top 100)
Year 2   200 Upazilas (top 200)
Year 3   300 Upazilas (top 300)
Year 4   400 Upazilas (top 400)
Year 5   400 plus Upazilas (all qualified ones)

Figure 5.2.1 shows a conceptual scheme of Upazila selection.

Figure 5.2.1   Conceptual Scheme of Upazila Selection

It should be noted that the screening (step 1) and performance assessment (step 2) will be repeated annually.   Therefore there is no guarantee that one Upazila selected in Year 1 will be again selected in

Year 2.   Similarly to the Upazilas disqualified at the first step, those Upazilas which are not selected at the second step nonetheless remain eligible to participate in some training programs to be implemented under Component 2.   The first ranking exercise will be conducted from October to December 2015. The first governance assessment and subsequent ranking will be conducted by PMU with technical assistance from JICA.

5.3.   Target Upazila Selection: Performance Indicators

5.3.1.   Preconditions

The Project will screen all 489 Upazilas with respect to some set of preconditions.   The purpose of this screening is to eliminate some not-ready Upazilas at the starting point.   The indicators of preconditions are as follows:

1) Upazila Parishad meetings being held properly and regularly;
2) Status of 17 Standing Committees;
3) Existence of budget and development plans as stipulated in Sections 38 and 42 of the Upazila Parishad Act 1998; and
4) Status of ADP implementation and reporting for the last three years.

Each indicator has two, more specific sub-indicators as summarized in Table 5.3.1.

Table 5.3.1   Precondition Indicators

	Precondition Indicators	Point	Means of Verification
1	**Holding Upazila Parishad Meeting properly and regularly**		
1.1	Upazila Parishad Meetings have been held	Y/N	Record of Upazila Parishad Meeting
1.2	Upazila Parishad Meetings have been recorded	Y/N	Record of Upazila Parishad Meeting
2	**Status of 17 Standing Committees (SC)**		
2.1	17 SCs have been established	Y/N	Upazila Parishad Meeting minutes to set up SCs
2.2	At least one of 17 SC has been activated (actual meetings are held)	Y/N	Record of 17 SCs meetings
3	**Existence of Budget and Development Plans under Sections 38 and 42 of the Upazila Parishad Act 1998**		
3.1	Budget (2014-15) is prepared using forms provided in the Upazila Parishad Act	Y/N	Budget is prepared using forms provided in the Upazila Parishad Act
3.2	Five year plan and/or annual plan is prepared	Y/N	--
4	**Status of ADP implementation and reporting for the last three years**		
4.1	ADP Report is prepared	Y/N	ADP Report
4.2	Report is sent to respective authorities (DC office and LGD)	Y/N	ADP Report

5.3.2.   Performance Indicators

Performance indicators to be used at the second step will deal with four important aspects of governance. They are:

1) Institutional capacity according to the Upazila Parishad Act 1998 (revised in 2009, 2011) and related ordinances;
2) Capacity of financial management;
3) Capacity of development planning and budgeting; and
4) Transparency and accountability.

There will be four specific indicators under each aspect, making the total number of performance indicators 16.   Table 5.3.2 summarizes them.

In line with the ongoing effort by LGD to improve Upazila Parishad, some reform measures have already been in place.   To monitor the performance of Upazila Parishads as well as the implementation of this Project, these performance indicators need to be further fine-tuned.

Table 5.3.2   Performance Indicators

Performance Indicators for Investment Fund	Weitght	Means of Verifications
1 Institutional Capacity according to Upazila Parishad Act 1998 (rev 2009, 201) and related ordinances		
1.1 SCs have been properly held and recorded		Standing Commitee Record
1.2 Transferred Department provides information to respective SCs and UZP Meetings		Standing Commitee Record
1.3 Project Selection Committee has been formed and PSC meetings are activated to discuss Projects to be implemented by UZP	25%	Project Selection Committee Record
1.4 Development proposals from Union Parishad (through UPZ member), SCs and NBDs have been throughly discussed		Project Selection Committee Record
2 Financial Management		
2.1 Development Budget and Invetsment Plan (Project and ADP) is prepared during preparation of next financial year		Date of ADP project list
2.2 Assett of Upazila Parishad has been properly registered and maintained		Assett registry record (new form is necessary)
2.3 Annual Financial Statement has been prepared in accordance to guideline provided by the LGD	25%	Annual Financial Statement (new form is necessary)
2.4 Budget are made with reasonable forecast on revenue projection (+-15%)		Budget versus revised budget
3 Development Planning and Budgeting		
3.1 5 Year development plan with covering priority sectors have been prepared		Strategy Paper
3.2 Development Fund are used as per guideline provided by LGD (sectoral ceiling)		ADP report
3.3 Development Site has been inspected by SC member or any UPZ authorities	25%	Monitoring Form (new form)
3.4 Project Document (UPP) has been prepared for each project for discussion and approval		Form will be prepared according to guideline
4 Transparency and Accountability		
4.1 Union Development and Coordination Committees have been held in each Union Parishad with proper attendance from NBD officials		Minutes of UDCC
4.2 Annual Budget using forms provided by Upazila Parishad Manual has been displayed for public scrutiny on notice boards and website	25%	By examining notice board and website
4.3 Annual Development plan is displayed open for public		By examining notice board
4.4 Information Focal Point is assigned and displayed for public opinion		Examining Focal point is displayed

5.4.   Performance Based Allocation System

The main purpose of Performance Based Allocation (PBA) is to motivate participating Upazilas to improve their local governance performance described by the Performance Indicators above.   This section explores some preceding cases of performance based fund allocation system adopted by other ODA projects and then proposes a system for this Project.

5.4.1.   Preceding Cases by Other International Development Partners

(1)   Early Cases

PBA and similar systems, such as PBGS (Performance Based Grant System), already have a history of more than one decade in Bangladesh.   Early Sirajganj Local Government Development Project (SLGDP) initially introduced the system and Local Governance Support Project (LGSP) and LGSP-LIC (Learning and Innovation Component) also introduced it.

LGSP-LIC spent additional 10% on top of the basic grant in the final fiscal year (2010/11) and the effects were confirmed.

(2)   Union Parishad Governance Project

Union Parishad Governance Project (UPGP) by UNDP and UNCDF also introduced the PBGS and the indicators evolved to the "third generation."   UPGP expanded LGSP's indicators to seven clearly defined minimum conditions for access to funds.   UPGP also defined nine performance measures with specified indicators for calibration of performance.   The nine performance areas cover issues such as: women's role in committees, planning, own source revenue mobilization, transparency and administration, and cover some important areas of public financial management, good governance and transparency.

UPGP completed the first round of performance-based funding in March 2010.   By this system, 367 out of the 388 UP in the six Districts covered by LGSP-LIC got access to the LGSP-UC grants in FY2010/11 and 120 of the 264, which were subject to the options for performance grants, would receive a performance-based allocation in FY2010/11 in order to recognize their good performance in the nine performance areas.

The UPGP adopts the Government of Bangladesh formula to the Basic Block Grants. The formula is based on the population, area of each Upazila, and development level. Performance Based Grant is provided as additional 20-30% of the Basic Block Grant if their performance indicators are improved. All Union Parishads within a District are sorted by performance and the upper 70.9% Union Parishads by number are to be selected for the Performance Grant.

Theme	1. Planing and Budgeting			2. Fiduciary Aspects (expenditure, financial management, procurement and reporting)			3. Own Source Revenue Mobilization			4. Monitoring, Overnight Transparency and Accountability			5. Implementation Performance/ Expenditure Targeting (for MDGs)			6. Democratic Governance System			Total maximum scores
	No.	Indocators	Max. Score	No.	Indocators	Max. Score	No.	Indocators	Max. Score	No.	Indocators	Max. Score	No.	Indocators	Max. Score	No.	Indocators	Max. Score	
Nationwide set of Indicators	1	5yr development plan (or 3yr rolling Capital Invetment Plan) available	4	1	Asset registry created/ each asset clearly marked	2	1	Year on year improvement in own revenue collection	4	1	Public disclosure of AFS, audit opinion, annual budget	4				1	Village Courts operational	1	
	2	Finalized Plan & budget submitted to UNO by May 31	2	2	Annual Finanicial Statement Available by July 31	2	2	Actual own revenue for past year in relation to the budgeted revenue	2										
	3	End of year actual develoment expenditure to developmenb budget for the year (level of realisation)	3	3	Montly Bank Reconciliation made (within a month)	2													
				4	Procurement plan in place by 31st July and compliance with procurement rules	2													
				5	Audit queries resolved	2													
Total Max Score			9			10			6			4						1	30
UPGP Pilot specific set of indicators	4	Women involvement in the planning Process	3	6	Mail registry and filing system in place and up to date	1	3	Tax assessments conducted	2	2	Information about BG, revenue/ expenditure overvies, UP plans on UP Notice Boards	2	1	Number of projects implemented last year as comared to plan	2	2	UP Council functional	3	
	5	Poverty targetting in the planning process	5	7	Tax collection register up to date	2	4	Tax assessment eligible households done at rate of 7%	2	3	Rigtht to Informatin Act 2009 opearationalised	2	2	Share of actual development expenditure in social sectors (MDG areas)	2	3	Active Women Participationin UP meetings	3	
	6	5yr development plan (or 3yr rolling CIP) has clear linkage with MDG sectors	3	8	Income and expenditure vouchers properly numbered, posted and filed	2	5	Tax defaulter system and "good tax payer reward" system in place	2	4	Publication /dissemination (pubic disclosure) or results previous assessment	2	3	Evidence of budgeting for maintenance	2	4	Establishment and Actual Functioning of eight core Standing Committees	3	
	7	Quality of the Development Plan	4				6	Evidnce of innovative measures to improve local revenue collection	2	5	UP Information Center established and accessible to the public	2	4	UP Household register updated and accessible to the public	2	5	Input from Standing Commitees in the Annual UP Plans	3	
							7	Share of own resource revenue used for development expenditure	2	6	At least 2 publi UP information sharing meeting held in the previous FY	3	5	% of BBG/(E)PBG used for projects benefiting more than one ward	2	6	Functionality of Ward Shavas	2	
							8	Share of development/ Service delivery expenditure funded by own revenues	2	7	People's involvement in projects supervision	3							
Total Max Score			15			5			12			14			10			14	70

Source: Balakrishnan, Suresh. c 2013. *Performance Assessment Report of Union Parishads in Seven Districts*. UPGP.

Table 5.4.1   Performance Indicators for UPGP

(3) Local Governance Support Project 2

LGSP2 also introduced Performance Based Grant (PBG) in addition to Basic Block Grant (BBG). The budget amount of BBG is US$436.76 million and PBG is US$55.2 million. The indicators cover key governance and public financial management areas. Performance is measured by 10 to 12 indicators. The top 75% of Union Parishads will receive PBGs on graded scale and the average PBG will be about 20% of the BBG. The actual PBG allocations, as BBGs, will take into account population and area differences of Union Parishads. The first year of LGSP2 did not provide PBG and introduced it only from FY2013.

(4) Upazila Governance Project

Upazila Governance Project (UZGP) is also trying to introduce the PBG, and conducted performance assessment in seven Upazila Parishads under UZGP project Districts (Table 5.4.2). The indicators are simpler than those of UPGP. It is unclear, however, how this assessment is reflected to PBG.

Table 5.4.2 Performance Assessment Indicators and Results: Case of Dumuria Upazila, Khulna District

Group	Sub-Group	Minor Head	Full Score	Individual KI Score	Sub Group Score
Mandated Structures	formed and Opearational	17 Standing Commitees formed	2	2	3
		>8 SC meets held monthly	2	1	
	Regular meeting held & Officials participate	Officials attend monthly meet	2	2	3
		12>8 Monthly meets arranged	2	1	
	Selection Coms formed and Operated	Project select. Com formed	1	1	2
		Select com meed held regularly	1	1	
Administrative Processes	Budget formulated & content complied	5 templates used	2	2	2
		Budget approve before 1st July	2	0	
	Mandatory steps followed	Receipt expense included in budget	2	2	4
		Schemes included in budget	2	2	
	Budget disclosed	Budget disclosed for feedback	2	0	0
Financial Management	Revenue collection target achieved	Rev. collected 90%>75%	2	1	3
		Own source revenue >15%	2	2	
	Dev. Exp. Targets & balance achieved	Planned dev. Exp. Achieved	2	2	2
		Min closing bal. not maintained	2	0	
	Bidding process used	Bidding process introduced	2	2	2
Specific Requirement	Proj. select. Com. Formed & operati	Committee established	2	2	4
		Com. Provided recommendation	2	2	
	ADP grant distn. Norm completed	Min. ADP exp. Achieved in all area	2	2	2
		Max. ADP exp. Exceeds in areas	2	0	
	Reports subt. Timely	Reports not submitted timely	2	0	0
		Total	40	27	

Note: KI: Key Indicator

Source: Kumar Paul, Ajit. c.2013. *Performance Assessment of Selected Upazila Parishads.* UNDP /UNCDF.

(5) Urban Governance and Infrastructure Improvement Project

The Asian Development Bank (ADB) has been financing Urban Governance and Infrastructure Improvement Project (UGIIP). Local Government Engineering Department (LGED) and Department of Public Health Engineering (DPHE) have been working as the executing agencies. UGIIP (Loan 1947) initially started in February 2003 and completed in December 2010. UGIIP 2 (Project Number 40559-012) started in May 2007 and has yet to be finished. UGIIP 3 (Project Number 39295-032) was signed in July 2013 and is open currently.

Activities of UGIIPs mainly focused on the infrastructure development of Pourashavas and urban governance improvement.

(a) UGIAP

For the target 22 Pourashavas, UGIIP introduced performance indicators under Part B component Urban Governance Improvement Component. The component had various community activities to alleviate

poverty with the focus on the implementation of the Urban Governance Improvement Action Program (UGIAP). The UGIAP included five key result areas: (i) citizen awareness and participation, (ii) women's participation, (iii) integration of the urban poor, (iv) financial accountability and sustainability, and (v) administration. The details of the indicators have not been available.

(b)   UGIIP-2

Before the completion of UGIIP, in 2006, UGIIP-2 selected 30 target Pourashavas. Three Pourashavas out of 22 in UGIIP were dropped due to poor performance and new 11 Pourashavas were included.[95]

UGIIP-2 Component B Governance Improvements and Capacity Development introduced Performance Indicators. The indicators were prepared in following areas:

- Enhanced capacity of Pourashavas to implement, operate, manage and maintain basic urban services (16 Performance Target/Indicators);

- Increased accountability of Project Pourashavas toward their citizens by 2015 (7 Performance Target/Indicators);

- Gender mainstreaming in urban planning and decision-making (4 Performance Target/ Indicators); and

- Improved urban services to the urban poor in Project Pourashavas (5 Performance Target/ Indicators).

(c)   UGIIP-3

In July 2008, UGIIP-3 selected 27 Pourashavas and three Pourashavas under UGIIP-2 were dropped because of poor performance.[96] It means that there was no new Pourashava added in UGIIP-3 initially.

In 2013, UGIIP-3 introduced performance indicators for the decision of sub-project progress. It set two finance Windows of A and B. Window A focuses on pre-selected 30 Pourashavas,[97] and the fund for infrastructure improvements is made available in phases upon completion of three phases of Urban Governance Improvement Action Program (UGIAP). The maximum amount that each Pourashava will be able to receive will mainly depend upon its population.

The criteria have three levels, namely, entry, intermediate and advanced as shown in Table 5.4.3.

Table 5.4.3   Some Performance Indicators in UGIIP-3

| Area of Activity/ Activity | Performance Indicator/ Criteria | | | Core/Non-core Weight of Non-Core Activities |
	Enty (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)	-TLCC formed as per procedure -At least 2 meetings held - Meeting agenda and minutes prepared and disclosed	-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	-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	Core
ii. Formation and Working of Ward Committee (Reference: Article 14 of Pourashava Act, 2009)	-WLCC formed as per procedure -At least 1 meeting held in each ward	-Meetings held at regular intervals -Participation of all members including women and poor in discussion ensured -Meeting held and record kept and communicated to the Pourashava	-Meetings held at regular intervals -Participation of all members in discussion ensured -Meeting held and record kept and communicated to the Pourashava	1

Note: Only initial part of the original table is shown.
Source: Annex 6, Project Administration Manual of UGIIP-3 (2014).

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[95]   30 = 22 (UGIIP Pourashavas)-3 (dropped)+11 (new).
[96]   27 =30 (UGIIP-2 Pourashavas) -3 (dropped).
[97]   It seems that UGIIP-3 added eight new Pourashavas on 22 in 2008.

Once a Pourashava fulfills the entry criteria, the first set of sub-projects of about 20%-25% of the ceiling will be supported (phase 1). After certain progress, if the Pourashava qualifies for the intermediate criteria, additional priority investment sub-projects of about 60% of the ceiling will be conducted (phase 2). Furthermore, if the Pourashava meets the advance criteria and progresses earlier sub-projects, it will receive 15%-20% of the ceiling, the rest of the amount.

Window B provides different routes for infrastructure funding. All class A Pourashavas join the program. Class B and C Pourashavas can join it voluntarily. Window B provides the funding of about $1 million for infrastructure improvement to each of about top 10 Pourashavas in the governance performance assessment, which will be conducted twice during the project.

5.4.2. Issues of Performance Based Grant

UPGP summarizes the challenge of PBG as follows:

> "The first is related to the need to promote stronger accountability, ownership, contribution and future sustainability of the UP projects and activities. Improvement of own source revenues for UPs is a pertinent tool to ensure this, but it has been a challenge in most of the UPs to improve on this and sufficient incentives have been lacking. Most UPs are not using their full revenue potential, tax collection is often unpopular, and the introduction of other sources of revenues (grants, MP funds, development project funds, etc.) increase the risk of 'crowding out' and reluctance to tap into these resources with the overall risk of diminished longer-term sustainability. There is a need for a strong combination of incentives in the grant system, capacity development support and guidance." (Source: UPGP Joint Prgramme Document. December 15, 2012, p. 44)

Based on these backgrounds, JICA Study Team considers the issues as follows:

- The Basic Block Grant was used for indispensable part of Union budget. Therefore, it seems difficult to reduce the BBG even if the Union performed poorly. Consequently, PBG remains only 20-30% of BBG in UPGP and LGSP. Original purpose of BBG was redistribution of national revenue to the Unions whose own income and taxing revenue are hardly available. The income redistribution is a significant function of the central government and it does not fit in with the principle of competition among Unions. There should be a discussion on the function of PBG in terms of fairness, equity and competition principle.

- The performance evaluation is based on the absolute value of the indicators of the year. It means that even if a Union with a lower initial score improved its performance dramatically, it may be ineligible for PBG.

- UPGP has different cut-off lines by district. Thus, the eligibility rule differs by district.

- The UGIIP indicators developed itself over a decade. Originally, it was to monitor the activities and it finally drove the activity. It is unclear how these performance indicators were used practically for budget allocation in UGIIP 1 and 2. It seems they were used only for a few poorly performed Pourashavas to discontinue to the next phase. If so, there is little chance for participating Pourashavas to improve their performance periodically. UGIIPs should have designed the feedback system more carefully. In addition, the indicator system in UGIIP-3 seems complicated and difficult for Pourashavas to understand. UGIIPs should consider the continuity and consistency among its Phases.

5.4.3. Basic Concept of Introduction of Performance Based Allocation

The basic purpose of PBA in this Project is similar to the PBG of UPGP and LGSPs. At the same time, following points should be taken into account:

- Target local government institutions of UPGP and LGSP have been limited to Unions, while this Project focuses on Upazilas. This Project succeeds the preceding achievement of UPGP, LGSP and UZGP in order to maintain the viewpoint of evaluation. This Project also confirms

the base line at the starting point.

- Although all existing projects provided grant without earmark, this Project is to finance a sub-project based on actual needs. This Project does not set the "base amount," which does not change by performance but the performance is reflected to the upper limit of application amount.

- This Project evaluates not only the local governance but also the project implementation process. If an Upazila had misconduct or reasonable doubt in the implementation process and they are confirmed by auditing process, the Upazila is evaluated as low and suspended for one round.

5.4.4. Proposed PBA Mechanism for the Project

The JICA Study Team proposes the following system for this Project to adopt.

(1) Allocation for the First Round and After

After the target Upazila selection, the PMU prepares the total of possible applicable amount of sub-projects based on the collected Performance Indicators. For the first round, PMU provides all selected 100 Upazilas the applicable amount of five million. For the following round, PMU increases the selected Upazilas to 200 and changes the possible applicable amount by each Upazlila based on the performance of indicators described in previous Section 5.3.

(2) Coefficients

There are two coefficients to bridge the performance and sub-project. One is Performance Coefficient and the other is Performance Change Coefficient in Table 5.4.5.

Performance Coefficient is provided by the absolute value of the above performance. It has the range between from 40% to 100%.

Performance Change Coefficient reflects how the performance indicator changed for the period. It has the range from -20% to +20%.

Table 5.4.5   Two Coefficients

Performance Coefficient

Performance Value	0-20	21~40	41~60	61~80	81～100
Coefficient	40%	60%	80%	100%	120%

Peformance Change Coefficient

Change of Value	～-11	-10～-6	-5～-1	0	1～5	6～10	11～
Coefficient	-20%	-10%	-5%	0%	5%	10%	20%

In addition, if an applicant Upazila had any <u>critical misconduct</u> such as bribery or tender manipulation during project process, the Upazila will be banned from application for one round. This means the upper limit is reduced to 0% regardless of above indicators.

(3) Upper Limit of Next Application

Based on the performance of the previous round, the upper limit is to change from -100% to +40%. If an Upazila's upper limit goes below the lower limit to apply (BDT 1 million) for a sub-project, the Upazila is suspended for application for one year. Figure 5.4.1 shows how the performance indicators influence the next upper limit.

Based on the performance of the previous round, the upper limit is to change from -100% to +40%. In addition, absolute value of applicable amount should not exceed seven million and should not fall below three million. Then the applicable amount varies from three millions to seven millions.

Figure 5.4.1 shows how the performance indicators influence the next upper limit.

Indicators	Base Line		1st End		2nd End
Gov. Performance	60	+10	70	-15	55

Performance Value Coeffient	100%	80%
Change of Value Coefficient	10%	-20%
Total	110%	60%

Upper Limit (,000BDT)	5,000	5,500	3,300

5,000x110%   5,500x60%
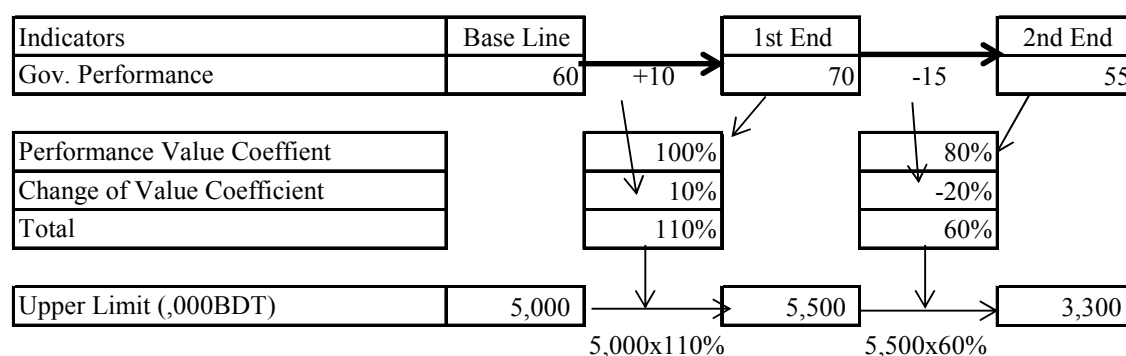
Figure 5.4.1   Calculation Flow from Performance Indicators to Next Upper Limit Change

Unit: 1,000 BDT

	Preparatory	First Round	Second Round	Third Round
Maximum applicable amount of sub-projects		5,000 Minimum Line= 3,000	10% top up by good performance 5,500	40% reduction by poor performance 3,300
Performance Indicator	Base Line	First End Line	Second End Line	Third End Line
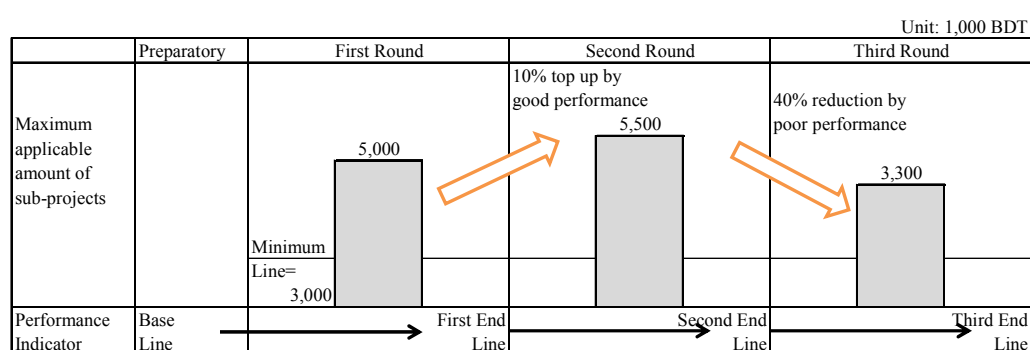
Figure 5.4.2   Sub-project Cycle and PBA

5.5.   Implementation Mechanism

5.5.1.   Overview of Institutional Arrangement

The executing agency of the Project will be LGD (Local Government Division).   A steering committee (S/C) shall be established with a view to rendering overall guidance and supervision in the implementation of the Project.   A project management unit (PMU) will also be set up within LGD and tasked with day-to-day project management and administration.   At the field level, or sub-project level, Upazila Parishad and Upazila Nirbahi Officer (UNO) shall jointly assume responsibility for ensuring the successful implementation of sub-projects.

The project management at the filed (sub-project) level shall be strengthened by the deployment of Upazila Development Facilitators (UDFs).   Figure 5.5.1 presents a schematic image of institutional arrangement.
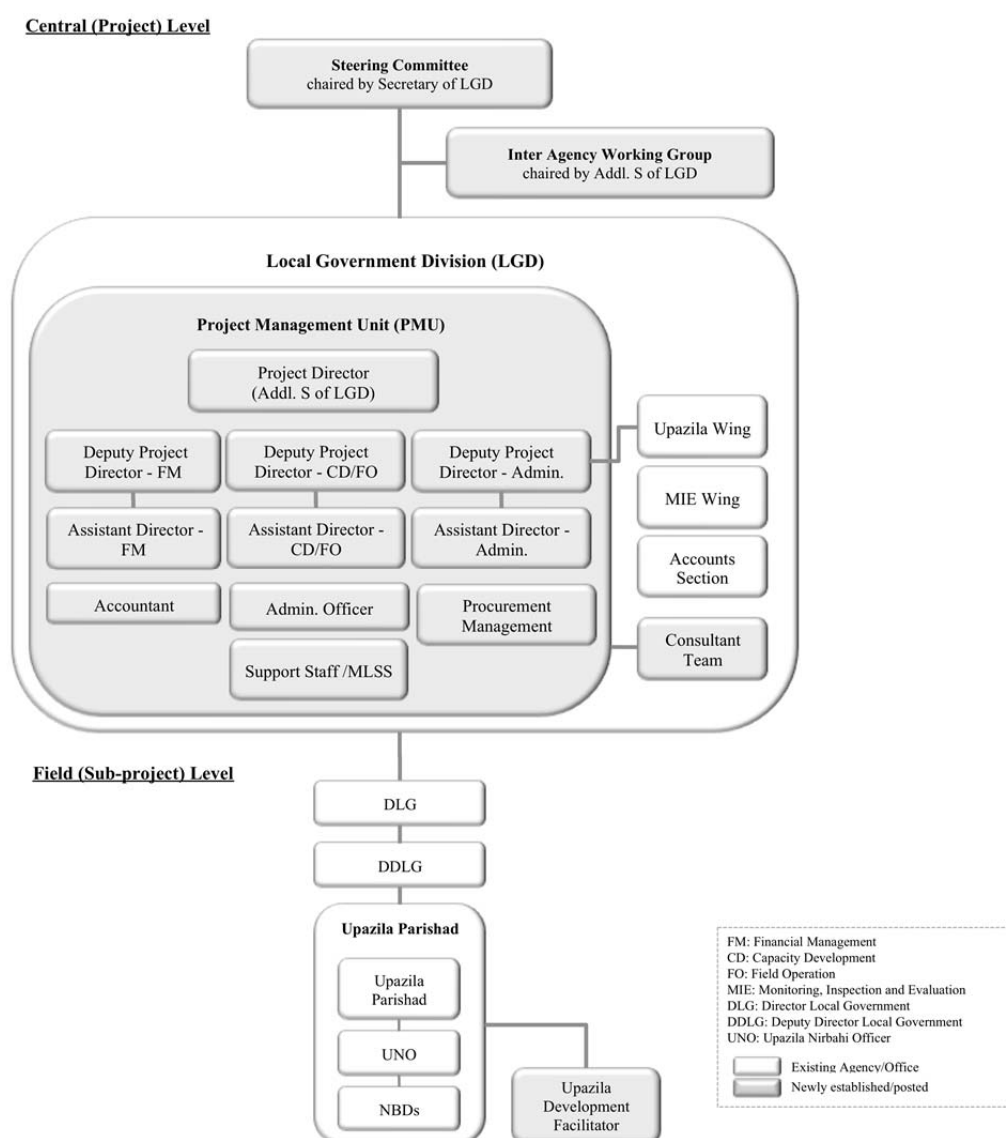
Figure 5.5.1   Schematic Overview of Institutional Arrangement

5.5.2.   Roles and Responsibilities of the Concerned Agencies

The expected roles and functions of key actors for the Project are described hereinafter.   For those who will be newly recruited during the course of the Project, their qualifications and required competencies are also specified for reference.

Central Level

(1)   Steering Committee (S/C)

The S/C will be the highest policy-making body of the Project.   It will meet twice every year, and apart from these bi-annual meetings the Chairperson will be authorized to convene meetings as and when deemed necessary.   The first S/C meeting will be held within two months of loan effectiveness.   The Upazila Wing of LGD will serve as a secretariat and take charge of coordination and arrangements needed for the S/C meetings with support from PMU.

[Composition]

The S/C, headed by Secretary of LGD, will have the representation from the following institutions. Chairperson will call on other ministries and departments (government bodies) to attend meetings as may be necessary.

Table 5.5.1   Composition of Steering Committee

	Organization	Title in organization*	Title in S/C
1	Local Government Division, MLGRDC	Secretary	Chair
2	Local Government Division, MLGRDC	DG of MIE	Member
3	Economic Relations Division, MOF	Representative	Member
4	Finance Division, MOF	Representative	Member
5	Planning Commission	Representative	Member
6	IMED, Ministry of Planning	Representative	Member
7	Ministry of Public Administration	Representative	Member
8	Ministry of Health and Family Welfare	Representative	Member
9	Ministry of Agriculture	Representative	Member
10	Ministry of Fisheries and Livestock	Representative	Member
11	Ministry of Disaster Management and Relief	Representative	Member
12	Ministry of Social Welfare	Representative	Member
13	Ministry of Primary and Mass Education	Representative	Member
14	Ministry of Women and Children Affairs	Representative	Member
15	Ministry of Youth and Sports	Representative	Member
16	Ministry of Environment and Forest	Representative	Member
17	Ministry of Education	Representative	Member
18	Rural Development & Cooperatives Division, MLGRDC	Representative	Member
19	JICA Bangladesh Office	Representative	Member
20	PMU, LGD, MLGRDC	Representative	Member

Source: JICA Study Team

[Role and Functions for the Project]

1- provide policy directions and overall guidance in the implementation of the Project
2- help ensure coordination and collaboration among the concerned ministries and government bodies for efficient and effective implementation of the Project

(2)   Inter Agency Working Group (IAWG)

The IAWG will meet twice every year, preceding the S/C annual meeting, unless otherwise additionally arranged and convened by Chairperson.

[Composition]

IAWG will be set up in order to render, in general terms, technical opinions on the implementation of the Project.   It will be chaired by PD of the Project (Additional Secretary of LGD) and he or she will be joined by high-rank officials assigned by each of the member organizations comprising S/C. Chairperson may also request the focal officials within LGD, such as Monitoring, Inspection and Evaluation (MIE) Wing, and Accounts Section to participate in the meetings and contribute to the discussions.   In addition, any additional members from the other organizations can be assigned for specific issues.   The first meeting of IAWG will be held within one month of the first S/C meeting.

Table 5.5.2   Composition of Inter Agency Working Group

	Organization	Title in organization*	Title in S/C
1	Local Government Division, MLGRDC	Additional Secretary	Chair
2	Local Government Division, MLGRDC	Representative of MIE wing	Member
3	Local Government Division, MLGRDC	Representative of Upazila Wing	Member
4	Local Government Division, MLGRDC	Representative of Accounts Section	Member
5	Rural Development & Cooperatives	Representative	Member

	Division, MLGRDC		
6	LGED	Representative	Member
7	DPHE	Representative	Member
8	BRDB	Representative	Member
9	NILG	Representative	Member
10	17 Departments *	Representatives	Member
11	PMU, LGD, MLGRDC	Project Coordinator	Member

*Representatives of 17 Departments will participate in the IAWG meetings upon request by Chairperson.
Source: JICA Study Team

[Role and Functions for the Project]

1- prepare the inputs required for the annual meetings of S/C
2- serve as a platform for enhancing inter-linkages and collaboration among the concerned organizations
3- diagnose the issues and challenges faced by the Project and propose corrective measures to S/C

(3) Local Government Division (LGD)

As the Executing Agency of the Project, LGD shall exercise oversight of the project implementation at the central and field levels with the assistance of PMU. It will assume ultimate liability for the performance of the Project. LGD's key departments, such as Upazila Wing, MIE Wing and Accounts Section, will work closely with PMU and other central government bodies in sample field-level monitoring surveys, communication with LGIs (e.g., notification of indicative ceiling) and fund release.

[Role and Functions for the Project]

1- take charge of setting up PMU
2- submit to JICA the required documents linked with disbursements prepared by PMU
3- submit to JICA quarterly Project Status Reports prepared by the PMU
4- liaise with C&AG and the Institute of Chartered Accountants of Bangladesh (ICAB) to ensure the quality of audit
5- consolidate audit reports submitted by audit firms and submit them to JICA annually
6- prepare agendas and minutes of meetings for S/C and IAWG meetings with the assistance of the Consultant Team (Upazila Wing)
7- liaise closely with MOF and PMU in the management and release of the funds (Accounts Section)
8- work closely with PMU in the procurement of consulting services, audit and equipment (Procurement Unit)
9- participate in sample field-level monitoring surveys organized by PMU and DDLG (Upazila Wing and MIE)

(4) PMU

The Project Management Unit (PMU) is a temporary unit established in LGD solely for the management of the Project and it will be dissolved upon the completion of the Project.

[Composition]

It will be headed by Additional Secretary of LGD, who shall serve as Project Director (PD) as an additional charge. PD will be assisted by three Deputy Project Directors (DPDs), one as an additional charge and two full-time DPDs. One DPD (DPD-Admin) will be responsible for all administration activities of the Project, one DPD (DPD-FM) will be responsible for financial management aspects across the components, ranging from the preparation of requisite documents for requests for disbursement to the procurement of services and equipment, and the other DPD (DPD-CD/FO) will be responsible for managing and coordinating capacity development activities and field based activities.

Given the complexity of the Project, the three Assistant Directors will be assigned as well in PMU and tasked with supporting DPDs.

It is preferable that the three DPDs and three Assistant Directors will be appointed from the existing LGD high-rank officials based on the extensive experience in donor-funded projects. Preferably, an accountant officer will also be appointed from LGD who is familiar with administrative procedure.

PMU will also be supported by a team of international and national consultants (Consultant Team) who shall provide technical expertise for the smooth implementation of the Project.

Table 5.5.3   Composition of Project Management Unit

	Title	No. of post	Full-time	Remarks
1	Project Director (LGD)	1	No	Additional Charge
2	Deputy Project Director - Administration (DPD-Admin)	1	No	(Additional/Joint Secretary of LGD)
3	Deputy Project Director - Financial Management (DPD-FM)	1	Yes	Additional Charge
4	Deputy Project Director - Capacity Development and Field Operation (DPD-CD/FO)	1	Yes	(Deputy Secretary)
5	Assistant Director - Admin	1	Yes	Deputation (SAS/AS)
6	Assistant Director - A/FM	1	Yes	Deputation (SAS/AS)
7	Assistant Director - CD/FO	1	Yes	Deputation (SAS/AS)
8	Accountant	1	Yes	Deputation/ Outsourcing
9	Administrative Officer	1	Yes	Outsourcing
10	Procurement Management	1	Yes	Deputation/ Outsourcing
11	Assistant Accountant	2	Yes	Outsourcing
12	Survey Assistant	4	Yes	Outsourcing
13	Computer Operator	3	Yes	Outsourcing
14	Office Assistant	1	Yes	Outsourcing
15	Driver	2	Yes	Outsourcing
16	Photocopy Operator	1	Yes	Outsourcing
17	Messenger	1	Yes	Outsourcing
18	MLSS	2	Yes	Outsourcing
19	Cleaner	2	Yes	Outsourcing
	Total	28		

Source: JICA Study Team

[Role and Functions for the Project]

1- Take charge of day-to-day operation and management of the Project
2- Oversee and guide to the extent possible filed-level management
3- Procure, manage, and supervise consultants hired under the Project
4- Coordinate with the Accounts Section of LGD, in the procurement of consulting services (UDFs to be deployed at Upazila Parishads under Subcomponent 2.2)
5- Coordinate with the Accounts Section of LGD, in the procurement of audit and equipment (both under Component 3)
6- Approval of sub-projects
7- Collaborate with the Accounts Section of LGD and prepare disbursement projection, request for disbursement, Financial Forecast and other necessary documents linked to the disbursements from JICA
8- Review quarterly field-level progress reports and prepare the central (project) level quarterly Project Status Reports
9- Screen and select the recipient Upazila Parishads in the phased implementation of Component 1 using the preconditions and pre-established criteria for performance assessment

10- Supervise the work of field-level auditors and UDFs
11- Provide training and retraining to UDFs with support from the Consultant Team
12- Review and modify the deployment strategy of UDFs and manage the deployment
13- Facilitate and participate in sample field-level monitoring surveys to monitor the intended development activities are properly implemented
14- Work closely with C&AG-FAPAD and the Institute of Chartered Accountants of Bangladesh (ICAB) to ensure the performance of "field" auditors
15- Play central role in implementing capacity development activities (under Subcomponent 2.1) in consultation with NILG and other relevant institutions
16- Play central role in implementing reform activities (under Subcomponents 2.2 and 2.3)
17- Serve as the secretariat for S/C and IAWG meetings
18- Lead initiatives in public relations activities of the Project
19- Update the project activities and achievements vis-à-vis expected outputs in the project website
20- Prepare annual Work Plan and Activity Report of PMU
21- Ensuring compliance with the agreement with JICA, including safeguards

[Detailed Terms of Reference of Posts within PMU]

Project Director (Additional Charge)

1- take a leadership role in supervising and monitoring the project activities at central and field levels
2- take a leadership role in supervising and monitoring of the performance of government staff assigned in and consultants recruited for PMU
3- take a leadership role in ensuring the timely preparation/submission of reports and other documents to JICA
4- report to the concerned Additional Secretary of LGD and JICA issues that require special attention

Deputy Project Director - Administration (Additional Charge)

1- perform as "Acting PD" in the absence of PD
2- oversee the administrative management of the Project at the central level with the assistance of the Consultant Team
3- assist PD in supervising and monitoring the performance of government staff assigned in and consultants recruited for PMU
4- manage the inventory of equipment procured at the central level
5- play a lead role in the public relations activities for the Project

Deputy Project Director - Financial Management (Full-time)

1- oversee the financial management of the Project at the central level with the assistance of the Consultant Team
2- ensure the timely preparation and submission of documents required for request for disbursement to JICA
3- supervise the procurement of all services and equipment
4- ensure timely release of funds from the non-resident account to D/A
5- manage 1) notification of indicative ceiling and actual allocations and 2) instruction with regard to the unused funds to Upazila Parishads
6- collaborate with C&AG-FAPAD and ICAB in evaluating the performance of field-level auditors
7- manage the audit objections submitted by Upazila Parishads

8- work hand in hand with DPD-CD/FO and submit central level Project Status Reports to PD for approval

Deputy Project Director - Capacity Development and Field Operation (Full-time)

1- play the lead role in 1) diagnosing capacity development needs and 2) planning/implementing capacity development activities in consultation with NILG and other relevant institutions
2- work closely with the Consultant Team in the evaluation of the performance of Upazila Parishads for determining recipient Upazila Parishads and their allocations
3- take part in sample field-level monitoring surveys
4- review carefully the quarterly progress reports submitted by Upazila Parishads
5- lead initiatives in identifying best practices and lessons learnt at the field level and disseminating them among Upazila Parishads
6- review the monthly activity reports submitted by UDFs
7- take the lead role in evaluating the performance of UDFs and designing/conducting the retraining of UDFs
8- work hand in hand with DPD-A/FM and submit central level Project Status Reports to PD for approval

Assistant Director - Administration (Full-time)

1- support DPD-Admin in every function laid down above

Assistant Director - Financial Management (Full-time)

1- support DPD-FM in every function laid down above

Assistant Director - Capacity Development and Field Operation (Full-time)

1- support DPD-CD/FO in every function laid down above

Accounts Officer (Full-time)

1- work mainly under the supervision of DPD - FM
2- provide administrative services in all aspects of financial management except procurement
3- contribute to the preparation of central level (quarterly) Project Status Reports in the aspect of financial progress
4- consolidate the financial progress data from the quarterly progress reports submitted by the beneficiary Upazila Parishads, prepare the draft SOE (consolidated version) at the central level
5- prepare RFD, FF and RS prior to the request for disbursements
6- manage the list of accounting firms for review audit and field-level audit

Administrative Officer (Full-time)

1- work mainly under the supervision of DPD - CD/FO
2- compile the sub-project proposal lists, make initial checking of the eligibility of the submitted sub-projects, and keep record of all sub-projects implemented in the database
3- prepare and review repeatedly the self-assessment check list for the eligibility for sub-projects
4- consolidate the quarterly progress reports submitted by the beneficiary Upazila Parishads and draft the central level Project Status Reports
5- compile and manage the data gathered in relation to the governance indicators and project effect indicators with the assistance of the Consultant Team
6- assist DPD-CD/FO in the preparation and implementation of capacity development activities
7- draft annual Work Plan and Activity Report of PMU
8- take the lead role in reviewing repeatedly the information flow (reporting system) and formats

(quarterly progress report formats)

Procurement Management (Full-time)

1- provide administrative services in the procurement of services (Upazila Development Facilitators to be deployed at Upazila Parishads under Subcomponent 2.2, auditors under Component 3 and consultants to work with PMU under Component 4) and equipment (under Component 3)

2- analyze the field-level procurement procedure, identify defects in the procurement practices and devise corrective measures

Field level

(5)   Director, Local Government (DLG)

The Director, Local Government (DLG) assumes the important role as an intermediary government body between LGD and LGIs.   They are mandated to inspect the administration and development activities undertaken by the latter.   Apart from the functions defined in the Office Advice issued by LGD (dated 14-07-2013), DLG is expected to perform the following functions under the Project.

[Role and Functions for the Project]

1- support DDLGs in supervising and monitoring of field level activities as may be needed
2- facilitate sample field-level monitoring surveys and audit conducted by central government bodies as and when necessary
3- organize and hold experience-sharing workshops at division level

(6)   Deputy Director, Local Government (DDLG)

According to the Office Advice issued by LGD (dated 14-07-2013), the prime function of the Deputy Director, Local Government (DDLG) is to play a supervisory and consultative role for the activities and development projects undertaken by Unions, Upazilas and 2nd and 3rd Class Pourashavas and report to DLG and LGD.   Besides the said general role, the recent trend is that DDLG plays an increasingly important role in promoting and facilitating peer-to-peer learning among sub-national government bodies due to the decentralization of horizontal learning program.

[Role and Functions for the Project]

1- inspect, coordinate and supervise all field-level activities of the Project
2- organize and conduct sample field-level monitoring surveys to ensure the sound financial management and proper implementation of sub-projects
3- lead initiatives in monitoring of the implementation of sub-projects through 1) reviewing the quarterly progress reports submitted by Upazila Parishads and 2) organizing sample field-level monitoring surveys
4- prepare reports of sample field-level monitoring surveys and submit them to LGD/PMU
5- review the project progress reports submitted by the target Upazila Parishads
6- facilitate communication between Upazila representatives and line agencies at district level to enhance synergy between development projects at the Upazila level and district level in District Development Coordination Meetings (DDCCs) or at other appropriate time
7- facilitate peer-to-peer learning among Upazila Parishads by including the progress of the Project in the agenda of monthly DDCCs
8- promote among all Upazila Parishads deep understanding of the objectives and intended activities of the Project as well as of the functions they are to discharge for delivering services in DDCCs or at other appropriate time

(7)   Chairperson (Upazila Parishad)

The mandate and the authority of Upazila Parishad are laid down in the Upazila Parishad Act 1998.   At the Upazila level, the Chairperson of Upazila Parishad together with UNO will be responsible for the implementation of development activities to be financed under the Project.

[Role and Functions for the Project]

1- discharge consultative functions defined in the Upazila Parishad Act 1988 and Upazila Parishad Manual to ensure the sound implementation of sub-projects
2- oversee and ensure that the implementation of sub-projects is technically and environmentally sound in collaboration with the executive branch
3- oversee and ensure that the financial management is properly maintained for sub-projects
4- disclose information such as financial statements, documentation of Project Selection Committee, etc.
5- approve development plans (5-year and annual)
6- approve sub-projects through the recommendations from Project Selection Committee
7- approve annual budget which includes the sub-projects funded under the Project before the end of fiscal year
8- review deliverables prepared by UNO and NBDs with regard to the sub-projects

(8)   Upazila Nirbahi Officer (UNO)

Performing as the Chief Executive Officer of Upazila Parishad, UNO is responsible for day-to-day operation and management of sub-projects to be financed by the Project.

[Role and Functions for the Project]

1- coordinate with NBDs (horizontal) as well as district/union level development committees (vertical (DDCC and UDCC)) and play the central role in preparation of 5-year plan, annual plan and budget
2- oversee the process of selecting sub-projects and secure that they are selected based on the development plans and submitted to LGD/PMU in a timely fashion
3- identify priority capacity development needs with the support from NBDs
4- (as member of Tender Selection Committee,) ensure the tender procedure and contract awarding is in accordance with the rules and regulations of GOB
5- prepare annual reports and quarterly progress reports with regard to sub-projects and submit them to DDLG and LGD/PMU
6- supervise that the implementation of sub-projects is technically and environmentally sound (in accordance with the Environmental and Social Management Framework)
7- oversee the expenditure management of sub-projects
8- ensure that all financial supporting documents for sub-projects are properly preserved in accordance with SOE requirements and facilitate the access to the said documents by C&AG and JICA as and when necessary
9- facilitate the data-gathering in relation to PBA and effect indicators of the Project
10- facilitate the monitoring surveys conducted by DDLG and other central government agencies

(9)   Upazila Parishad NBDs

[Role and Functions for the Project]

1- contribute to the development of 5-year plan and annual plan by presenting in detail the current development status of each sector
2- support in the identification of priority development activities (infrastructure and capacity

development activities)

3- support in the preparation of project proposals and tender documents for sub-projects
4- support in the operation and maintenance of sub-projects through 1) compiling inventory of the schemes implemented and 2) rendering advice to community organizations which are in charge of operation and maintenance

(10)   Upazila Development Facilitator (UDF)

Project implementation risk is considered substantial due to weak governance and limited capacity at the Upazila level.   To minimize such risk to the extent possible, the project design includes the deployment of project-supported facilitators, named "Upazila Development Facilitator" at the Upazila level.   UDF will work under supervision of DDLG and the technical guidance of PMU and primarily play a catalytic role at the Upazila level to support UNO and other functionaries in discharging their original functions.   UDF will ensure smooth implementation of the Project at Upazila level.

[Role and Functions for the Project]

1- facilitate Upazila Parishad to implement "Upazila Governance Improvement Action Program"
2- be stationed in one of the recipient Upazila Parishads under Component 1 (but move to a newly joining recipient after two years) and offer hands-on support to Upazila Parishad and Upazila-level officers in implementation of the following tasks:
   1) preparation of development plans (5-year and annual), which are the basis for sub-projects under the Project;
   2) identification of priority development sub-projects (securing that they are selected on the basis of development plans);
   3) formulation of sub-project documents;
   4) submission of proposed sub-projects to LGD/PMU;
   5) preparation of budget of sub-projects;
   6) implementation of sub-projects;
   7) financial management of sub-projects;
   8) monitoring of and periodical visit to sub-projects;
   9) preparation of annual and quarterly progress reports of the Project; and
   10) any other coordination efforts required to achieve the afore-mentioned functions
3- make periodic visits to the "already-supported/graduated" Upazila Parishads to monitor that they maintain the enhanced capacity and comply with the internal administrative procedure of GoB as well as requirements pertaining to the Project (JICA loan project)
4- support in accommodating monitoring, audit and governance performance assessment by the central government agencies including PMU, particularly in data-gathering with regard to performance indicators
5- ensure people's participation in the Project through visit to and monitoring of Union-level activities such as Union Parishad meetings, UDCC meetings, open budget meetings, Wardshava, etc
6- prepare monthly activity reports of UDF and send them to LGD/PMU
7- inform LGD/PMU of problems and obstacles that need attention and specific assistance
8- hand over the functions of UDF to Upazila Parishad and identified Upazila officers

[Qualification and Required Competencies]

1- have minimum 3 years of experience of working with LGIs/other rural institutions or extensive working experience in development activities
2- at age 45 years old or younger
3- holder of Honours Degree Pass

4- have sound knowledge of local government system in Bangladesh
5- have excellent communication skills both in Bengali and English (written and oral)
6- have excellent computer skills (Word, Excel and Powerpoint)
7- have cultural, gender and religious sensitivity and adaptability

Other Relevant Organizations

(11)   Planning Commission (PC)

The PC is the central planning agency of Bangladesh.   It is given a mandate of determining objectives, goals and strategies and policy measures of development plans in the country.   It is also responsible for appraisal and impact analysis of investment projects.

[Role and Functions for the Project]

1- examine Development Project Proposal of the Project (in the Sector Division) and submit report to Project Evaluation Committee for appraisal
2- liaise with IMED of the Ministry of Planning in order to conduct impact analysis of the Project

(12)   LGED and DPHE

LGED and DPHE are both departmental level organizations under LGD.   LGED's prime mandate in the rural areas is to construct and maintain water resources and transport infrastructure while DPHE is responsible for water supply and sanitation facilities.   As these organizations are deeply involved in the planning, implementing and maintaining rural infrastructure development schemes which are potentially similar to the sub-projects of the Project, they are expected to provide technical review and support to the preparation, implementation and operation/maintenance of the schemes/development activities implemented in target Upazila Parishads and surrounding areas.

[Role and Functions for the Project]

1- provide advice and technical support to the operation and maintenance of schemes implemented under the Project
2- provide technical support and insight to the capacity development activities at all levels
3- make available to Upazila Parishads the relevant information on rural infrastructure implemented by LGED and DPHE as may be necessary (e.g., nationally managed database)
4- develop, modify and distribute among Upazila Parishads the operation and maintenance manuals

(13)   National Institute of Local Government (NILG)

NILG's mission is to help build the capacity of local government institutions (LGIs).   It plays a central role in providing training under UZGP and LGSP II, along with other government training institutions like National Academy for Planning and Development (NAPD), Bangladesh Institute of Management (BIM), Bangladesh Academy for Rural Development (BARD) and Rural Development Academy (RDA).

[Role and Functions for the Project]

1- oversee the capacity development activities at all levels
2- collaborate with other training institutions as required and contribute technically to 1) assessment of the capacity development needs and 2) programming of capacity development activities and 3) development of curriculum and learning modules

(14)   C&AG-FAPAD

The Foreign-Aided Projects Audit Directorate (FAPAD) is an office within C&AG to audit all

foreign-aided projects in the public sector.   One estimate reveals that every year FAPAD conducts audit of about 400 loan and TA projects assisted by donor agencies.

[Role and Functions for the Project]

1- carry out external audit of the Project financial statements as part of its original function of ensuring financial accountability and transparency of donor-funded projects
2- submit annual audit report to JICA with assurance on the proper use of the proceeds of the JICA loan
3- help ensure financial integrity and the credibility of reported information in relation to sub-projects in coloration with LGD and other relevant organizations like ICAB
4- help ensure the performance quality of field-level auditors in collaboration with ICAB

5.6.   Possible Sub-projects and Their Selection

5.6.1.   Target of Sub-projects

Component 1 of this Project supports the selected Upazilas to conduct development activities for improving public service delivery.   It will include various development activities such as rural infrastructure and capacity development whose budget is requested based on the actual needs of Upazilas.   The sub-projects in each recipient Upazila will be selected from the development plan of the Upazila and identified through proper and formal planning process by Standing Committees for proposals and Upazila Parishad Meeting for decision-making.   As a general rule, the target sub-sectors are mainly limited to Upazila's public goods, which can contribute to formulate government fixed capital through public investment.   Specifically, they are facilities or equipment which are recognized as durable property with the depreciation period of five years or longer.   In addition, the Project accepts budget requests for capacity development such as training.

Component 1 will therefore finance two types of sub-projects:

1) Capital formation projects: Sub-projects for capital formation such as rural infrastructure
2) Non-capital formation projects: Sub-projects for capacity development

5.6.2.   Positive List

To specify sub-sectors eligible for Component 1, this Project proposes a positive list as shown in Table 5.6.1.

Table 5.6.1   Positive List

Sub-sector	Positive List	Excluding
Rural Roads (Upazila Road, Union Road, Village Road) and Drainage	- Bridge, improvement of existing roads, road widening, rehabilitation, periodical maintenance (Overlay) - Culvert and new drainage	- Routine maintenance (pot holes, cleaning, and weeding) - Routine maintenance such as cleaning of drainage
Educational and medical facilities, and government building	- New construction, extension and structural alteration of building, and large scale renovation - Equipment update (joinery, electrical, and plumbing)	- Utility expenses - Routine maintenance (cleaning, glass replacement, etc.)
Educational equipment	- Classroom equipment (table and chair for pupils, blackboard, and platform) - Slopes for disabled (wheel chaired) students - Access roads to schools, clinics, etc. - School bus	- Utility expenses - Consumables (chalk, textbooks, notebooks, etc.) - Welfare of staff
Medical equipment	- Medical equipment, and furniture (medical instrument, inspection machine, and bed for patient) - Facility/equipment for delivery - Ambulance	- Drugs, disposable device - Staff vehicle - Welfare of staff

Water supply equipment	- New well drilling, rehabilitation of existing well - Renewal of pump - Replacement and new layout of water supply pipes - Rain water tanks	- Routine maintenance such as cleaning of wells and water pipes
Agriculture	- Agricultural facility and works - Agricultural water facility (irrigation and water drainage) - Public facility (processing facility and equipment, collection facility, and market - Storage, transportation (vehicle), wholesale market	- Property which becomes farmers' private goods
Disaster prevention	- Cyclone shelter - Disaster relief-work (road, pond, water supply, latrine)	- Works on individual houses
Capacity Development and other activities	- Feasibility studies of public investment by Upazilas, including Environmental Impact Assessment - Training of Upazila staff (Inclusive of NBD staff) to contribute to the mid- and long-term development of Upazila - Women Development Forum - Self-guard activity by volunteers - Mobilization of Boy Scouts for disaster relief/prevention	- Overseas training

5.6.3. Negative List

A sub-project which covers any item(s) on the negative list is not eligible for Component 1 and should be excluded from the selection process. The Project will set its negative list as follows:

- Sub-project which has significant negative impact on the environment and/or society;
- Sub-project whose land acquisition has not been completed at the time of application;
- Cost of land acquisition;
- Salary and travel expenses;
- Cultural activity;
- Research activity;
- Sub-project which is outside of Upazila's jurisdiction (river channel improvement, railway, telecommunications, power supply, airport, etc.); and
- Police and military expenses.

5.6.4. Upper and Lower Ceilings

The Project will set following upper and lower cost ceilings on each sub-project.

For capital formation sub-projects (infrastructure):

- Upper limit   BDT 5 million/sub-project

- Lower limit   BDT 1 million/sub-project

For non-capital formation sub-projects (capacity development):

- Upper limit   20% of total amount

- Lower limit   BDT 100,000/sub-project

5.6.5. Sub-Project Selection

If a requested sub-project is on the positive list and not on the negative list, the sub-project will be selected basically.

If the sub-project is neither on the positive list nor on the negative list, it will be appraised individually. Appropriateness of the sub-project will be judged with respect to a set of criteria as shown below.

If the sub-project covers any item(s) listed in the negative list above, it will be automatically rejected.

5.6.6. Selection Criteria

The Project will employ the following set of criteria to select appropriate sub-projects (Table 5.6.2).

Table 5.6.2 Selection Criteria

Item	Point	Example
1.Relevance	10	Compatibility with development policy and plans
2.Effectiveness	10	Contribution to development target. Generation of benefit.
3.Efficiency	10	Utilization of input resource.
4.Impact	10	Positive and negative impact. Direct and indirect influence.
5.Sustainability	20	Prospective of recurrent cost source.
6. Maturity	10	Preparedness and readiness.
7.Contribution to Upazila's administrative capacity development	10	Method and degree of direct and indirect contribution of administrative capacity.
8.Public hearing and other meetings	10	Formality of procedure. Meeting situation and its response.
9.Achievement of preceding similar subproject	10	Confirmation of capability of subproject implementation.
Total	100	

5.7. Environmental and Social Considerations

5.7.1. Environmental Administration

(1) Ministry of Environment and Forests (MoEF)

MoEF is the supreme environmental administration body for the planning, promotion, co-ordination and overseeing the implementation of environmental and forestry programs. MoEF oversees all environmental matters across the country and is a permanent member of the Executive Committee of the National Economic Council (ECNEC).

The principal activities undertaken by MoEF consist of conservation and survey of flora, fauna, forests and wildlife, prevention and control of pollution, forestation and regeneration of degraded areas and protection of environment, in the framework of legislations. MoEF has four major departments and agencies as follows.

> 1. Department of Environment (DoE)
> 2. Bangladesh Forest Department
> 3. Bangladesh Forest Research Institute (BFRI)
> 4. Bangladesh Forest Industries Development Corp (BFIDC).
> 5. Bangladesh National Herbarium (BNH)
> 6. Bangladesh Climate Change Trust

Source: Ministry of Environment and Forest, http://www.moef.gov.bd/index.php

Among them, environmental issues including examination of the Environmental Clearance Certificate (ECC) applications of development projects are supervised by Department of Environment (DoE).

(2)   Department of Environment (DoE)

DoE has the head office in Dhaka and has following 9 units:

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1. Administration and Human Resources Management
2. Planning
3. Air Quality Management
4. Climate Change and International Convention
5. Environmental Clearance Certificate
6. Natural Resources Management and Research
7. Law
8. IT
9. Monitoring and Enforcement
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Source: http://www.doe.gov.bd/home

DoE also has six divisional offices located in Dhaka, Chittagong, Khulna, Bogra, Barisal and Sylhet. Twenty-one new district offices have been set up with the creation of 468 new positions.

DoE's 21 district offices, as mentioned above, are categorized into two groups, Type A (13 staff, deputy director included) and Type B (10 staff, deputy director included), depending on the significance of industrial and social activities recognized in each district. It should be noted that the set-up of a nationwide DoE administration framework has just started and some DoE district offices are trying to meet these set-up goals.[98]

To strengthen the administrative capacity of entire DoE, various capacity development programs were conducted. First capacity development program regarding the environmental assessment for DoE was initiated by Directorate General for International Cooperation (DGIS-Netherlands) in cooperation with the Dutch EIA Commission in January 1999. The Bangladesh Environmental Institutional Strengthening Project (BEISP) was implemented by DoE from 2006 until 2010. In June 2012, the Asian Development Bank proposed a subproject for Bangladesh on the strengthening of the EIA system and its implementation practices under the regional technical assistance project, entitled as "Strengthening and Use of Country Safeguard Systems."

(3)   Environmental Section of LGED

No environmental unit exists within the Ministry of Local Government, Rural development and Cooperatives but the environmental section exists in LGED, one of the engineering departments under this ministry. There are 11 permanent staff members in the section. No environmental staff are stationed at local LGED offices. LGED has developed environmental guidelines to be applied to all LGED infrastructure development projects, based on the Environmental Conservation Rule of 1997, referred to as "Environmental Assessment Guidelines for LGED Project (October 2008)." Basically, environmental risks of all LGED projects are examined based on this LGED Environmental Guidelines as well as Environmental Conservation Rule of 1997 (ECR97, see Table 5.7.1 below for more detailed descriptions). Currently, LGED plans to revise the guidelines, but no specific timeline has been set yet.

5.7.2.   Key Environmental Codes

Table 5.7.1 below summarizes the key environmental strategies, plans and codes, implemented in Bangladesh. Among them, the Prime Minister's memo, listed as the eighth item of this table, is important for future development projects in Bangladesh. As described in following sections, application of ECC for any investment and development projects is mandatory, but the actual practice is not satisfactory. It is reported that constructions and/or operations of some development projects has been initiated without obtaining a proper ECC. To avoid this situation, DoE plans to strengthen the implementation of ECC framework while tightening the enforcement of this ECC policy. It is more

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[98]   Manikgang DoE District Office, personal communication, 2014.

likely in the near future that construction and/or operation of any development projects without obtaining ECC is suspended by the order of the environmental court.[99]   More details of this DoE's new policy will be described later.

Table 5.7.1   Key Environmental Strategies, Plan and Codes of Bangladesh

	Name	Descriptions
1	National Conservation Strategy (NCS)	Formulated in 1987 by the Bangladesh Agricultural Research Council in cooperation with the IUCN. It aims (1) to assess the usage patterns of natural resources and the future needs and possibilities of major development activities in order to set a feasible and sustainable strategy to conserve limited natural resources and (2) to reconcile development and the environment in order to ensure the sustainable use of resources, species and ecosystems in the future. In particular, it underlines the importance of ecosystems in coastal areas, hilly forests and the Shundorubon wetland.
2	National Environmental Policy (NEP)	Developed in 1992 for protection and sustainable management of the environment. Objectives of the Policy include: · Maintaining the ecological balance and overall development through protection and improvement of the environment; · Identifying and regulate polluting and environmentally degrading activities; · Ensuring environmentally sound development; · Ensuring sustainable and environmentally sound use of all natural resources; and · Actively remain associated with all international environmental initiatives
3	National Environmental Management Action Plan (NEMAP)	Developed in 1995 by MoEF to address environmental problems from 1995 to 2005. It summarized the major challenges by every institution, sector and region concerned with environmental problems and offered prescriptions for these. In terms of the protection of wildlife species and biodiversity, it highlighted the importance of activities such as the promotion of research, dissemination and enlightenment, the completion of inventories, the regulation of hunting and the development of networks among protected areas (MoEF 1995)
4	National Biodiversity Strategy and Action Plan (NBSAP)	Developed in 2004 by MoEF in cooperation with the IUCN, funded by the Global Environment Facility (GEF) and the UNDP. This plan, which was developed in response to the adoption of the Convention on Biological Diversity (CBD) at the Earth Summit held in Rio De Janeiro, Brazil, in 1992, provides a framework for the sustainable use of resources, the conservation of biodiversity and the fair and equitable distribution of benefits.
5	Environmental Conservation Act (ECA95)	Provide for conservation of the environment, improvement of environmental standards and control and mitigation of environmental pollution.
6	Environmental Conservation Rules, 1997 (ECR97)	Provide more detailed directions of environmental conservation and application of ECC for development and investment projects, based on ECA95.
7	The Environmental Court Act 2000	This Act supports the ECA95 and ECR97 by providing for the establishment of environmental courts for the trial of offences relating to environmental pollution. It includes protocols for the establishment of the court, and defines the court's jurisdiction, appropriate penalties, powers of search and entry, and procedures for investigation, trial and appeal.
8	Prime Minister's Office Memo No. 33.081.006.00.00.03. 2014-78 (75) Dated: 26-10-2014	Decisions regarding the requirement of IEE and/or EIA studies for development projects, made at the meeting held on October 15, 2014, in the Prime Minister's Office are specified. Relevant ECC must be obtained from DoE before the finalization and approval of any development projects.

Source: JICA Study Team

5.7.3.   ECC Application Process

(1)   Environmental Clearance for Upazila Governance Study

One of the main purposes of the Project is for Upazila Parishads to select and implement development projects independently.   As of January 2015, 489 Upazilas exist.   Therefore, it is anticipated that numerous small-scale development projects will be formulated across the country once this Project is initiated.

To make those projects' implementation accountable, it is essential to examine the ECC requirement for

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[99]   DoE, personal communication, 2014.

selected development projects.   Currently, no environmental staff is positioned in any Upazila Parishad. In their place, socio-economists in all districts are in charge of the preparation of ECC application process of development projects, implemented by Upazila Parishad.   Usually, this socio-economist looks after all Upazilas within the district he or she is working for.

In order to make the entire project selection, formulation and implementation process by Upazila Parishad feasible and punctual, it is essential to assign environmental staff at each Upazila Parishad, and get them involved in the environmental screening and scoping process at the early project planning stage.   To achieve this, certain type of capacity development and/or training program, to be described later, shall be established and implemented while assigning relevant environmental staff at each Upazila Parishad.

Figure 5.7.1 shows an appropriate environmental screening and possible ECC application flowchart for successful sub-project implementation by Upazila Parishad under this Project.
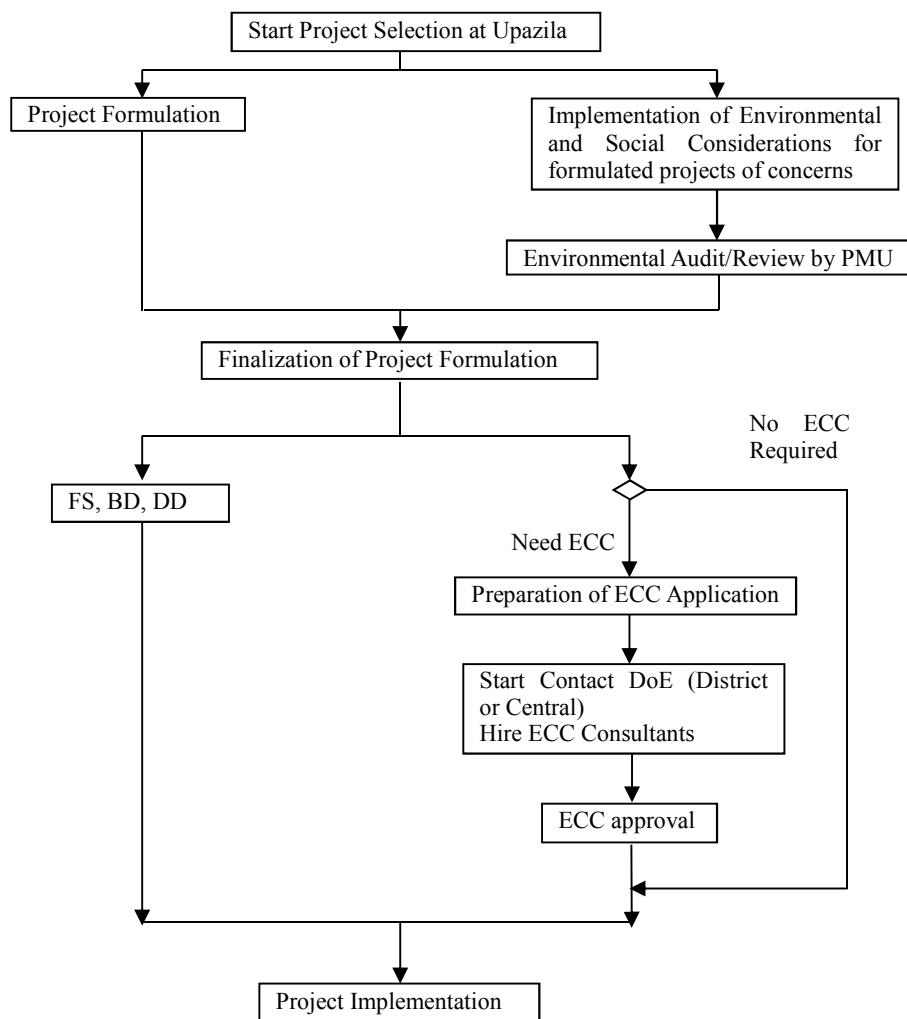
Source: JICA Study Team

Figure 5.7.1   ECC Application Flowchart for Development Project Implementation by Upazila Parishad

As shown is this figure, this process mainly consists of two parts, i.e., (i) Project Formulation, and (ii) Project Design (e.g., Feasibility Study) Phases.   Within the project formulation/or planning stage, it is important to formulate the development project while introducing proper environmental and social

considerations. It is well known that the incorporation of proper environmental and social considerations within the project formulation at the early planning stage leads to successful implementation of sustainable development projects (i.e., cause less negative impacts on the surrounding environment during its implementation). Otherwise, it would cause disputes and/or conflicts among stakeholders.

After projects are formulated at each Upazila Parishad, it is also important to obtain environmental approvals from DoE. In Bangladesh, certain types of development projects shall obtain ECC during the planning stage (more detailed descriptions of this ECC application process is summarized later). Similarly, when Upazila Parishad plans to implement regional infrastructure development projects, it has to initiate ECC application process while contacting a nearby DoE district office.

(2) Current ECC Application Process

According to ECR97, the industrial units and projects shall, in consideration of their site and impact on the environment, be classified into four categories such as Green, Orange-A, Orange-B and Red, for the purpose of issuance of ECC (see Table 5.7.2).

Table 5.7.2 ECC Issuance Conditions

Category	ECC Issuance Condition
Green	・ECC shall be issued to all existing industrial units and projects and to all proposed industrial units and projects falling in the Green Category. ・In general, ECC examination takes 15 (fifteen) days at most on the receipt of the application, and then, the certificate shall be issued or the application shall be rejected mentioning appropriate reason for such rejection.
Orange – A Orange – B Red	・For industrial units and projects falling in the Orange–A, Orange–B and Red categories, firstly a Location Clearance Certificate and thereafter ECC shall be issued. ・In general, ECC examination of Orange-A Category takes thirty (30) days whereas Orange-B or Red Categories take sixty (60) days at most on the receipt of the application, and then, a Location Clearance Certificate shall be issued or the application shall be rejected mentioning appropriate reasons for such rejection.

Source: JICA Study Team

In general, Orange-A, Orange-B and Red Categories must acquire a site clearance certificate before the ECC can be issued, unless the Director General of DoE specifies otherwise. The site clearance certificate is awarded if the Director General of DoE considers issuing such a certificate appropriate. Figure 5.7.2 shows the major ECC application steps, to be required for each project category. Figure 5.7.3 shows more detailed Initial Environmental Examination (IEE) or Environmental Impact Assessment (EIA) application process, to be required for both Orange-B and Red Category-projects.

In general, the examination of ECC application for both Green and Orange-A Categories are conducted at DoE district office, Orange-B Category at divisional office as well as Red Category at the DoE headquarters.

The most common ECC practice, conducted in Bangladesh, is to apply for one ECC for the entire ADP, prepared by each ministry or organization, and each ADP is regarded as a package of various development projects. By doing this approach, it is possible to save examination time, money and human resources. However, it is likely that this package contains various project types (e.g., Green, Orange-A, Orange-B and Red) so that scope of ECC examination itself would become sparse and less effective. Besides, DoE's follow-up activities for each development project contained within each ministerial package are not easy, and it is found that some development projects are on-going without proper implementation of environmental and social considerations, and sometime cause negative environmental impacts on nearby surrounding areas.

(3) DoE's Plan to strengthen ECC Process

Current environmental legal framework and administration framework are comprehensive, although there still are some difficulties in proper implementation. As a result, a certain amount of investment and/or development projects are on-going without official ECC. DoE mentions that appropriate

environmental and social consideration shall be implemented within the early stage of the project cycle (see Table 5.7.3), since it is quite rare to see the project formulation process addressing the environmental considerations within the project planning process, implemented so far.   To put this environmentally chaotic situation in order, DoE plans to strengthen the current ECC system by making the power of the environmental court stricter.   DoE has already explained this draft policy to the Prime Minister Office while completing the legal amendment process of ECC-related regulations.   After this new amendment is approved, it is expected that the enforcement of ECC would become more thorough and comprehensive, and then, more meaningful Environmental Management Programs (EMP) including monitoring activities are to be implemented.

Those relevant EA studies such as IEE and EIA for development projects shall be conducted by independent institutions.   DoE also plans to review the shortlist of EA consultants before initiation of EA.

Table 5.7.3   Levels of Receiving Development Projects and Assessing Environmental Impact

	Levels of Project Cycle	Types of Environmental Impact Assessment
1	Project Concept Level	Preliminary Environmental Review (PER)
2	Pre-feasibility study	IEE & Formulation and Finalization of ToR for EIA
3	Preparation of Feasibility study & Detailed Engineering Design	Completion of EMP
4	Preparation of Development Project Proforma (DPP)	Inclusion of Suggestion/Recommendations received in Project Documents, Modification of Design, if necessary
5	Project Approval & Implementation	Implementation of EMP
6	Monitoring & Maintenance after Project Implementation	Implementation of Monitoring Plan, Follow-up & Feedback to EMP & Environmental Auditing

Source: Courtesy of DoE, 2014
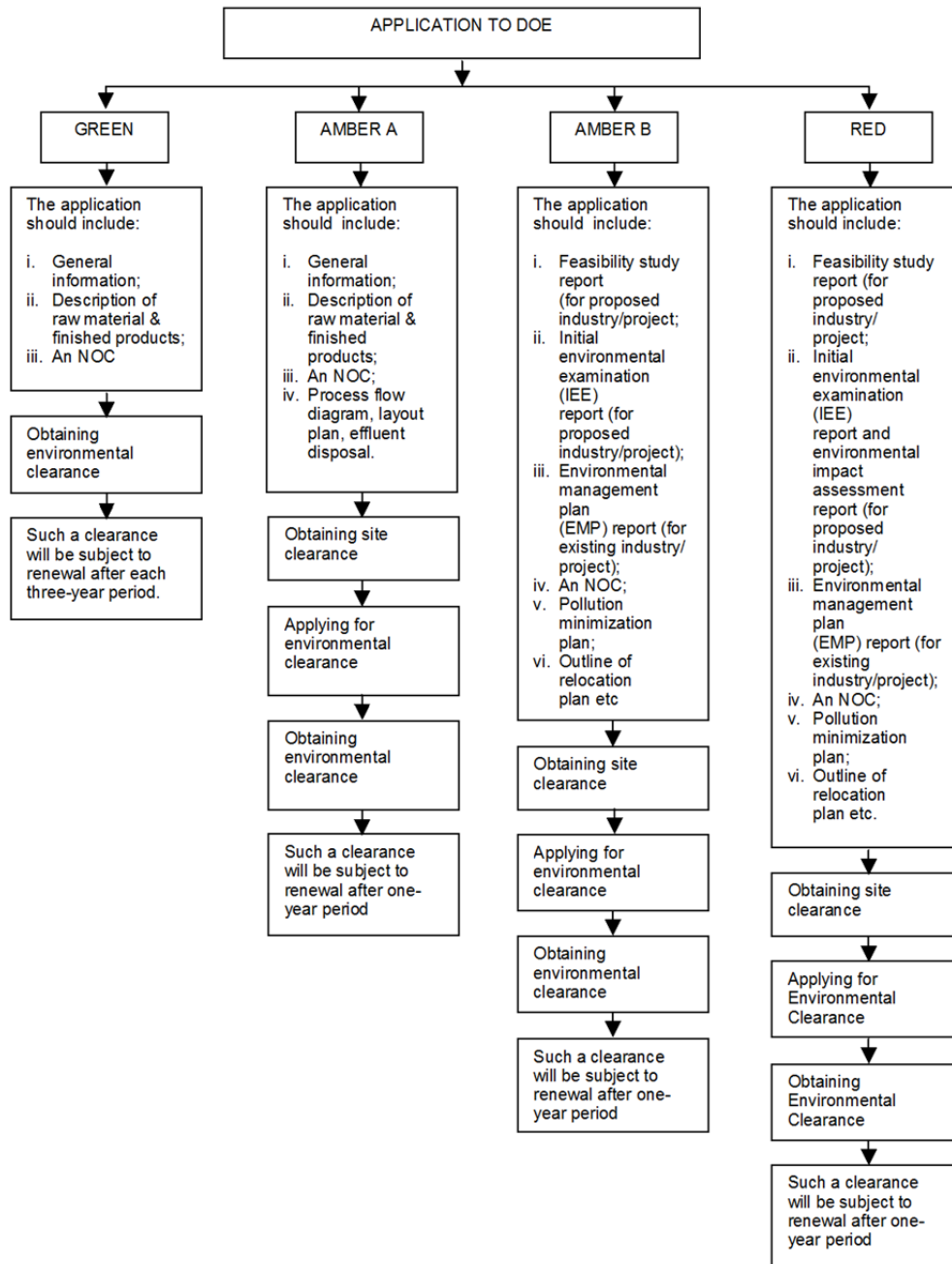
Note: Amber A and Amber B are equivalent to Orange-A and Orange-B respectively.
Source: JICA, 2012, "Profile on Environmental and Social Considerations in Bangladesh."

Figure 5.7.2   Steps Involved in Obtaining the ECC
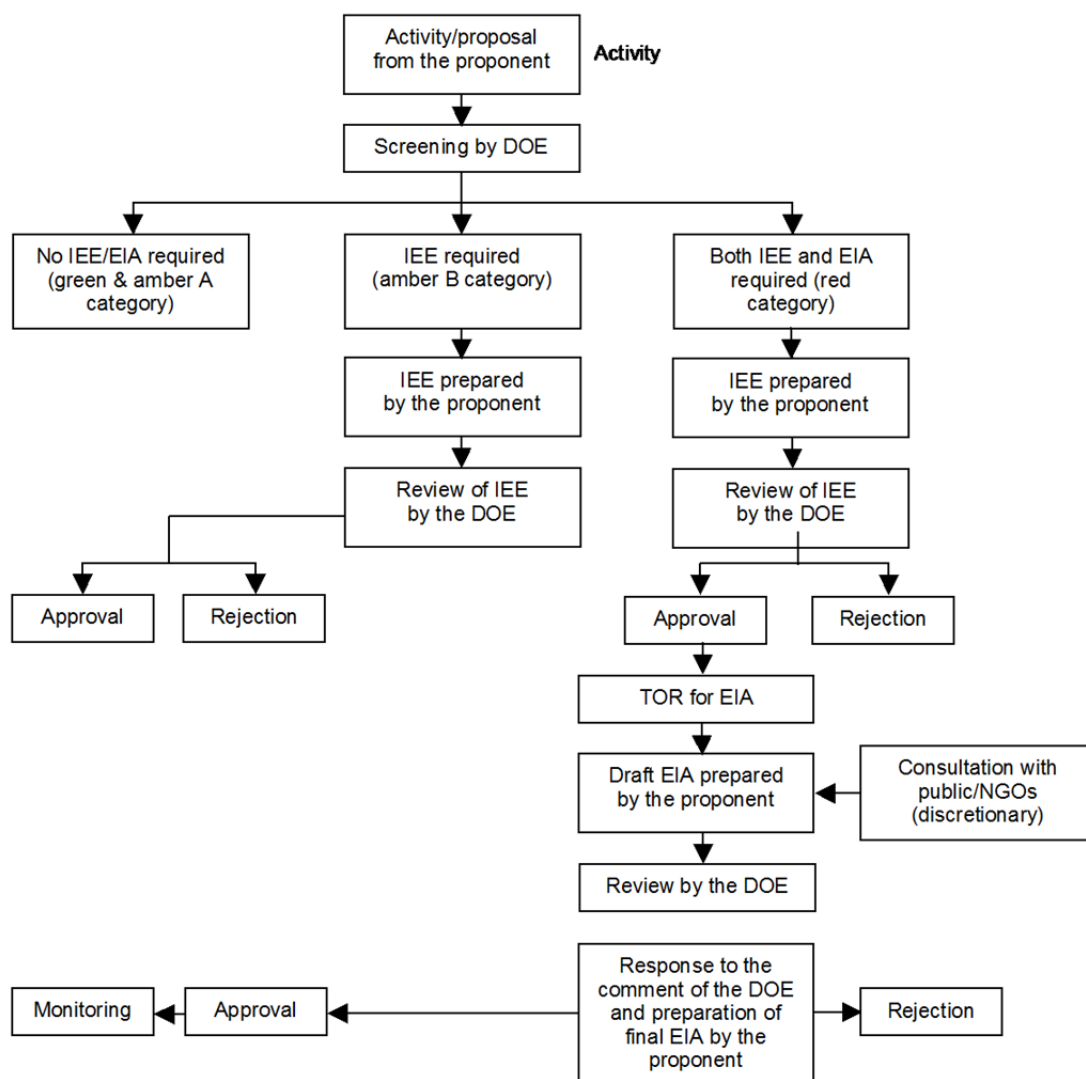
Note: Amber A and Amber B are equivalent to Orange-A and Orange-B respectively.
Source: JICA, 2012, "Profile on Environmental and Social Considerations in Bangladesh."

Figure 5.7.3   Flowchart of the EIA Process in Bangladesh

Table 5.7.4 summarizes the required documents for each ECC application process, mentioned above.

Table 5.7.4   Required Documents for ECC Application

Category	Required Documents and/or Report for ECC Application
Green	・General information about the industrial unit or project. ・Exact description of the raw materials and the manufactured product. ・No objection certificate from the local authority.
Orange A	・General information about the industrial unit or project. ・Exact description of the raw materials and the manufactured product. ・No objection certificate from the local authority. ・Process flow diagram ・Layout Plan (showing location of Effluent Treatment Plant (ETP)) ・Effluent discharge arrangement ・Outlines of the plan for relocation, rehabilitation (if applicable) ・Other necessary information (if applicable)
Orange B	・Report on the feasibility of the industrial unit or project (applicable only for proposed industrial unit or project) ・Report on IEE of the industrial unit or project, and also the process flow diagram, Layout Plan (showing

	location of ETP), design of ETP of the unit or project (these are applicable only for a proposed industrial unit or project) ・Report on EMP for the industrial unit or project, and also the Process Flow Diagram, Layout Plan (showing location of ETP), design of ETP and information about the effectiveness of the ETP of the unit or project, (these are applicable only for an existing industrial unit or project) ・No objection certificate from the local authority ・Emergency plan relating adverse environmental impact and plan for mitigation of the effect of pollution ・Outline of the relocation, rehabilitation plan (where applicable) ・Other necessary information (where applicable)
Red	・Report on the feasibility of the industrial unit or project (applicable only for proposed industrial unit or project) ・Report on IEE relating to the industrial unit or project, and also the terms of reference for EIA of the unit or the project and its Process Flow Diagram, or EIA report prepared on the basis of terms of reference previously approved by the DoE, along with the Layout Plan (showing location of ETP), Process Flow Diagram, design and time schedule of the ETP of the unit or project, (these are applicable only for a proposed industrial unit or project) ・Report on the EMP for the industrial unit or project, and also the Process Flow Diagram, Layout Plan (showing location of ETP), design and information about the effectiveness of the ETP of the unit or project (these are applicable only for an existing industrial unit or project) ・No objection certificate of the local authority ・Emergency plan relating adverse environmental impact and plan for mitigation of the effect of pollution ・Outline of relocation, rehabilitation plan (where applicable) ・Other necessary information (where applicable)

Source: JICA Study Team

Table 5.7.5 summarizes ECC application and renewal fees.

Table 5.7.5 ECC Application and Renewal Fees (excerpt)

Budget of Project	ECC Application	ECC Renewal
(a) Between Tk. 100,000 and 5,00,000	Tk. 1,500	One-fourth of the fees listed in ECC Application Fee
(b) Between Tk. 5,00,000 and 10,00,000	Tk. 3,000	Same as above
(c) Between Tk. 10,00,000 and 50,00,000	Tk. 5,000	Same as above

Source: Schedule 13 of ECR97

Table 5.7.6 summarizes the ECC statistics, awarded and renewed for the last five years (2009 – 2013).

Table 5.7.6 Total Number of ECC Awarded and Renewed during 2009-2013

Year (January-December)	ECC Awarded	ECC Renewed
2009	3,865	4,122
2010	4,987	5,298
2011	5,436	7,464
2012	6,282	6,647
2013	6,998	7,123

Source: Courtesy of DoE, 2014

5.7.4.   Types of Development Projects to Be Formulated

Under the Project, development sub-projects are to be selected by each Upazila Parishad with the budget ceiling of around five million BDT a year.   Considering this budget ceiling, we expect that environmental issues that may arise under the Project are likely to be minor.   However, since many sub-projects will be formulated and implemented within a relatively short period, cumulative and/or compound negative impacts would not be negligible.

To implement those selected sub-projects, Upazila Parishad should obtain ECC in order to establish both accountability and compliance of the project selection.   It is noted that each Upazila Parishad shall select development sub-projects based on the positive list, developed by this study, and this positive list is so designed that no "Category-A" projects will be selected, as specified in the *JICA Guidelines for Environmental and Social Considerations* (hereinafter referred to as "JICA Guidelines").   More detailed descriptions of the environmental category classification are attached as Appendix 2 to

this Report.

After this pre-screening, all selected sub-projects are subjected to the environmental clearance process, specified by the ECR97. Table 5.7.7 summarizes possible ECC requirements for sub-projects, listed in the positive list of this study. Contents of this table are re-confirmed through a series of discussions with DoE after the first draft of this table was prepared by the JICA Study Team.

Table 5.7.7   ECC Requirement for Positive List

Subsector	Positive List	Requirement of ECC
Rural Roads (Upazila Road, Union Road, and Village Road)	Bridge, improvement of existing roads, road widening, Rehabilitation, Periodical Maintenance (Overlay)	・Categorized into Orange B (Item 63 of Schedule 1)
Educational and medical facilities, and government building	New construction, extension and structural alteration of building, and large scale renovation Equipment update (Joinery, electrical, and plumbing)	・"Hospital (Item 51)", or Engineering works – Red
Educational equipment	Classroom equipment (table and chair for pupils, blackboard, and platform) School bus	N/A
Medical equipment	Medical equipment, and furniture (medical instrument, inspection machine, and bed for patient), Ambulance	N/A
Water supply equipment	New well drilling, rehabilitation of existing well, Renewal of pump, Replacement and new layout of water supply pipes	・Water, power, gas distribution line laying/relaying/extension (Item 64) – Red. Note that small-scale project may be classified into Orange B
Drainage	Culvert and new drainage	・Total Distance > 100 m – Red Total Distance ≦ 100 m – Orange B
Agriculture	Agricultural facility and works Agricultural water facility (irrigation and water drainage) Public facility (processing facility and equipment, collection facility, and market)	・Cattle farm (above 10 (ten) numbers in urban area, and above 25 (twenty five) in rural area (Item 51) – Orange B ・Poultry Number of birds above 250 (two hundred fifty) in urban area, and above 1,000 (one thousand) in rural area (Item 52) – Orange B ・Grinding/husking wheat, rice, turmeric, chilly, pulse – machine above 20 (twenty) horse power (Item 53) – Orange B ・Engineering works: capital above 10 (ten) hundred thousand taka – Red
Disaster prevention	Cyclone shelter Disaster relief-work (road, pond, water supply, latrine)	・Cyclone Shelter Higher than 6th floors (rural) – Orange B Higher than 10th floors (urban) – Orange B ・Any repairing/rehabilitation works of damaged infrastructure facilities need ECC. Category type depends on scale of each repairing work
Capacity Development	Training of UZP staff (Inclusive of NBD staff) to contribute to the mid- and long-term development of Upazila	N/A

Source: JICA Study Team

5.7.5.   Gap Analysis of Environmental Assessment between JICA Guidelines and Bangladesh

Current Bangladesh's EIA legislation system is well developed and comprehensive, compared with that of other developing countries in Asia. Although there are some minor gaps between the current domestic regulations and JICA Guidelines, no mutual contradictions have been identified.

However, like other developing countries, its actual implementation is not in good condition. Although DoE has accumulated a number of ECC examination cases so far, follow-up activities such as the effective implementation of EMP are not satisfactory. Also, governmental legislation tends to pay little attention to transparency, predictability and accountability although there are some actions to

improve the entire capacity of the environmental administration while raising environmental awareness at the community-level with supports from major international donors such as the World Bank, UNDP, Asian Development Bank and others.

To avoid difficulties to be caused by this kind of gap, Local Governance Support Project (LGSP) established its unique environmental clearance procedures, and has implemented them for the project planning process at all Union-level.   Its outline is summarized in the following section.

5.7.6.   Environmental Clearance of LGSP

(1)   Appraisal Summary

The World Bank is also implementing the Local Governance Support Project (LGSP) at Union Parishads.   This project has been implemented so far in two phases, i.e., LGSP I (2006-2011) and LGSP II (2011-2016), and is environmentally categorized as "Category B."   According to the project appraisal document by the World Bank (the World Bank, 2011), appraisal summaries regarding the environment are as follows:

"An assessment of implementing the LGSP I Environment and Social Management Framework (ESMF) reveals that UPs have mostly rehabilitated community infrastructure, such as roads, brick-soling of mud roads, culverts, footbridges, irrigation drainage, public toilets and others on public lands.   All formulated projects within LGSP are classified into either of Categories B and/or C.   It is noted that there are three environmental categories such as Categories A, B and C, depending the order of the magnitude of negative impacts, to be by the project implementation (note that Category A is the most significant whereas not in Category C, see Appendix B for more detailed descriptions of WB's environmental categorization).   The LGSP funds helped UPs and their constituents improve local environment and social cohesion, especially enabling them to mitigate environmental problems created by other development activities.   The UPs continue to use LGSP II grants for the provision of small-scale community infrastructure and other schemes responding to community needs. Environmental issues that may arise in these schemes are likely to be minor but would be addressed such as (i) arsenic and bacterial contamination in drinking water, (ii) unplanned road construction causing drainage blocks, (iii) improper sanitation and sewage systems, (iv) inadequate solid waste management, and (v) improper land filling leading to loss of water bodies and biodiversity.   However, as many subprojects will be implemented within relatively short-term period, cumulative and/or compound negative impacts are expected be more significant.   So, UPs must bear in mind the cumulative and/or compound consequences of numerous small-scale subprojects, and ensure that these will not adversely affect the surrounding environment in an irreversible manner."

(2)   Safeguard Clearance

Basically, the environmental and social clearance process, established within LGSP, does not pay much attentions to DoE-issued ECC of development projects, formulated by all UPs, but the clearances of environmental and social safeguards, specified by the World Bank.   According to the project financing policy, GoB is required to assess potential environmental and social safeguard issues in project preparation and adopt and implement appropriate measures to mitigate them.   The provisions proposed in ESMF are to comply with the following the World Bank's operational policies.

> 1. Environmental Assessment (OP 4,01)
> 2. Involuntary Resettlement (OP 4.12)
> 3. Indigenous Peoples (OP 4,10)

To meet this goal, each UP shall prepare appropriate ESMF form including environmental screening form for formulated development project.   As mentioned above, all projects are classified either of Category B or Category C.   For a Category-B project, Limited Environmental Assessment (LEA) Report shall be prepared.   Those documents are periodically checked at all UPs.   This audit process consists of following three steps, i.e., (i) Annual Review of Safeguards, (ii) Annual Performance Audit,

and (iii) Independent Third Party Review (see Box below).

Box   Audit Process for LGSP

(i) Annual Review of Safeguards: The LGD Safeguard Specialist will conduct an annual review of safeguards, which will include a review of all LEA and a 10 % random sample of Screening, Implementation and Completion Reports, and undertake field visits to assess if these were done as per the ESMF guidelines.

(ii) Annual Performance Audit: The LGD will contract CA (Chartered Accounting) firms to conduct annual Performance Audits which will include financial management, procurement and safeguard compliance. The firms will visit the UPs to review safeguard compliance. In addition, separate CA firms will independently review all audit findings and the CAG (Comptroller and Auditor General)'s office will conduct spot checks of 10 % of UPs.

(iii) Independent Third Party Review: This review will be carried out at project mid-term and completion by an independent organization.

It is also reported that UPs have a limited institutional capacity to implement the ESMF.   So, relevant capacity building programs, including training on safeguards issues and ESMF are provided to all UPs every year.   Besides, comprehensive preliminary discussions and review of candidate development projects by both Ward Committee (WC) and Scheme Supervision Committee (SSC) are conducted, and then, projects approved by both WC and SSC are proposed to UPs.   So, no Category-B class project has been formulated and proposed so far.

Upazila Governance Project (UZGP) and Union Parishad Governance Project (UPGP), both implemented by UNDP, are conducting relevant environmental clearance, using the same LGSP's scheme.

(3)   Applicability to the Project

As discussed above, LGSP implements unique environmental and social clearance practices.   But it is not straightforward to import those practices to the Project (see Table 5.7.8).

Table 5.7.8   Summary of LGSP's Safeguard Policy Clearance

	Issue	Descriptions
1	Preliminary Project Formulation Process	Within LGSP, project formulation is conducted through a series of discussion among local stakeholders such as WC and SSC whereas not under the Project.
2	Safeguard Policy	LGSP cares about how development projects, formulated at all UPs, cleared selected WB's safeguard policies. In other words, formulated projects can obtain go-ahead signs as long as safeguard policies are satisfied.
3	Closed Process	Periodical environmental audits and/or safeguard reviews are conducted by LGD-hired consultants (DoE is not involved in actual environmental examination). So, it is less likely to cause some delays due to inter-ministerial discussions and/or coordination within entire project implementation schedule.

Source: JICA Study Team

It is also noted that LGSP's periodical environmental audit and safeguard check system are regarded as "post project formulation process."   In other words, professional check and reviews of formulated projects tend to be implemented after the project formulation.   So, there still are some risks that nobody at UPs can identify potential hazardous risks (e.g., local groundwater arsenic contamination due to rapid water-use change), and then, may be found at the annual audit and/or periodical safeguard check.   To avoid this, certain type of skilled check shall be conducted at the project planning process.

5.7.7.   Compliance with JICA Guidelines

To implement the Project successfully while complying with JICA Guidelines, following documents shall be prepared during the sub-project formulation process by each Upazila Parishad:

✔   Checklist for environmental and social management system (ESMS) of Executing Agency

✔ Environmental checklist
✔ Screening Format

Those are mainly used for JICA's internal project examinations from the viewpoints of both environmental and social aspects. It is noted that outlines of sub-projects, to be selected by Upazila Parishads, are not determined yet due to the following reasons: 1) detailed designs of sub-projects have not been determined at the time of this Study; and 2) sub-projects are not selected at the time of this Study.

As mentioned above, all Upazila Parishads have a limited institutional capacity to implement the ESMF, to be required by JICA Guidelines. So, relevant capacity building program, including training on environmental clearance and governance issues shall be provided to all Upazila Parishads.

Also, it is noted that follow-up activities and/or periodical environmental audit shall be conducted once the construction and the operation of selected development projects are initiated. More detailed descriptions of this capacity building program covering follow-up activities are summarized in the following section.

5.7.8. Capacity Development Program

(1) Background

As mentioned earlier, in all Upazila Parishads, no officer is in charge of environmental governance including both the environmental clearance and the environmental management of development projects. To improve the capacity of Upazila Parishads to conduct the comprehensive development project formulation process covering from planning to monitoring, it is essential to establish an effective long-term capacity development program.

The proposed capacity development program can play an essential role to support the set-up of the environmental governance framework and relevant clearance system at all Upazila Parishads. This would make a great contribution to improve the capacity of regional environmental management at all Upazila Parishads across the nation. And then, in the long term, this would eventually provide a sustainable and harmonious growth through the implementation of regional development projects to be selected by each Upazila Parishad.

A relatively comprehensive environmental legal framework has been established in Bangladesh, and many practices of environmental clearance (i.e., ECC examination) of industrial investments and development projects have been conducted so far. However, those practices are mainly conducted at the central government level (in particular for ADP) whereas practices by local governments such as Upazila Parishads are almost nonexistent. It is noted that environmental follow-up activities such as environmental management and monitoring, to be taken after ECC is granted, are very poor although a certain amount of ECC practices have been accumulated so far.

No environmental section or unit, specifically responsible for environmental management including monitoring, exists at Upazila Parishads. When Upazila Parishads need ECCs in order to implement infrastructure development projects, they have to undergo the ECC application process through a series of consultations and discussions with outside stakeholders such as DoE district office and socio-economist. This process tends to be time demanding and sometimes causes delay in the project implementation schedule.

After the Project is implemented, it is expected that many development projects, formulated by Upazila Parishads, will be implemented. Without any action to improve the capacity of local environmental governance, the current environmental management framework at the local level, including the ECC application system and the environmental management program, will be over-saturated eventually. In other words, it would be quite difficult for all Upazila Parishads to implement comprehensive project formulation including the effective environmental management program. As a result, regionwide environmental governance, compliance and enforcement in Bangladesh would be worsened further.

(2)   Objective

The proposed capacity development program aims to provide relevant technical support for setting up Upazila's own environmental management framework in order to strengthen the capacity of environmental audit, enforcement and governance to be conducted by Upazila Parishads.   By setting up the proposed framework at Upazila Parishads, it would become straightforward to feedback to the project formulation process from both the environmental and social points of view at the early planning stage by Upazila Parishads.   This would improve governance and transparency of the entire project cycle.   Also, it would be possible to make a great contribution to improve environmental performance of not only Upazila Parishads but also of the entire country as the ripple effects in the long term.

(3)   Components of the Capacity Development

The proposed capacity building program has two major objectives: (i) strengthening of capacity for ECC application for selected projects by Upazila Parishads, and (ii) strengthening of capacity for environmental audit and governances (e.g., EMP, monitoring and the public involvement).   Figure 5.7.4 shows the outline of this proposed capacity development program.
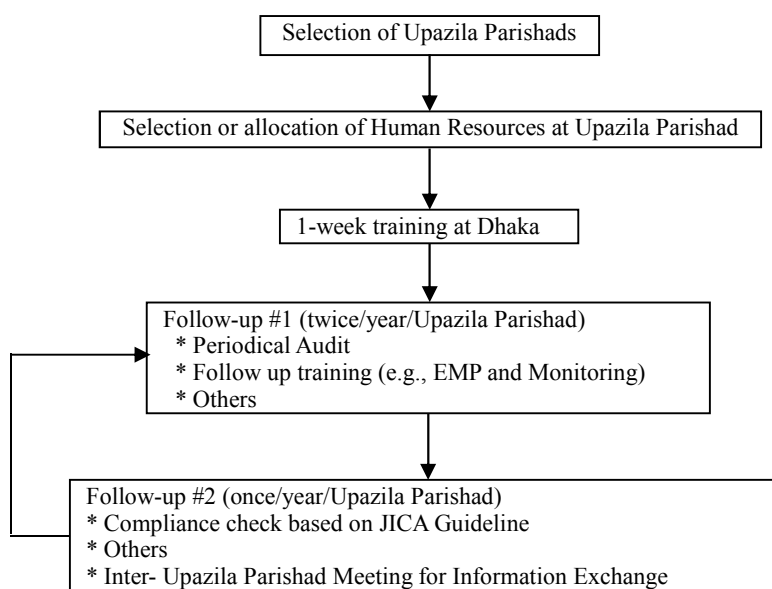
Source: JICA Study Team

Figure 5.7.4   Flowchart of Proposed Capacity Building Program

The program includes following components and activities:

a.   Human Resource Recruitment or Allocation (1 person/Upazila Parishad)
b.   Capacity Development (1-week training in Dhaka)

i) Build capacity for ECC Application for selected projects
   Followings are major topics for this component:
・ Basic ECC knowledge
・ Environmental Clearance of JICA Guidelines
・ Exercise
・ Others
ii) Build Capacity for Environmental Audit (e.g., EMP, Monitoring and Public Involvement)
   Followings are major topics for this component:
・ Basic EMP Knowledge
・ EMP Policy of JICA Guidelines
・ Effective Public Involvement
・ How to deal with cumulative/compound negative impacts?

> ・Exercise
> ・Others

c. Periodical Audit (by outside consultants or others)
d. Inter-Upazila Parishad Meeting for Information Exchange and Learning

After the intensive training at Dhaka, it is expected that Upazila Parishad staff who attended the Dhaka training workshop or seminar will apply those skills and knowledge to the development project formulation at each Upazila Parishad.　Throughout this OJT-based self-training, it is likely that there may be a situations that would require something beyond what they learned in Dhaka.　In order to maintain this self-training process successful, it is recommended to have periodical visits and consultations at each Upazila Parishad as a follow-up activity of this capacity development program. Also, it would be suitable to have inter-Upazila Parishad meeting annually.　Main objectives of this meeting are to share information regarding the implementation progress of the Project among all participating Upazila Parishads and Districts and to provide an opportunity for them to learn problem-solving measures other Upazila Parishads implemented.

5.7.9.　Suitable ECC Application Process

As mentioned earlier, many small-scale regional development projects are to be formulated once the Project is implemented, and environmental issues that may arise under this Project are likely to be minor. However, since many sub-projects will be formulated and implemented within a relatively short period, cumulative and/or compound negative impacts would not be negligible.　So, PMU shall pay attention to temporal and spatial scale of the cumulative and/or compound consequences of numerous small-scale sub-projects, and ensure that these will not adversely affect the surrounding environment in an irreversible manner.　Considering the current ECC practices conducted or proposed under other similar projects and the requirement of JICA Guidelines, there will be four options for ECC application process for the Project, as summarized in Table 5.7.9.

Table 5.7.9　Possible ECC Application Process

	ECC Application Process	Pros and Cons
1	Obtain ECC for each development project	・Take time, money, and paperwork (i.e., human resources) ・Like to cause delays in project implementation schedule ・Credibility of ECC at certain level can be guaranteed
2	Conduct ECC examination for sample projects, selected among entire packaged formulated project	・Can save time, money and paperwork ・Relatively less likely to cause delays in project implementation schedule ・Need another scheme to keep credibility of ECC at certain level, acceptable for JICA Guidelines (e.g., project selection before ECC examination)
3	Follow LGSP II's environmental clearance scheme	・Less likely to cause delays in project implementation schedule ・Need to hire certain number of safeguard clearance specialists as well as auditors and conduct an intensive periodical check ・New challenge for JICA Guidelines-based environmental clearance practice
4	Obtain ECC for each Upazila's ADP	・Can save time, money and paperwork ・Relatively less likely to cause delays in project implementation schedule ・Still some Upazila Parishads do not have capacity to prepare their own ADP

Source: JICA Study Team

After a series of discussions with DoE, it is agreed that a modified version of Approach 4, summarized in Table 5.7.9 above, would be feasible by adopting following items:

> ・Prepare categorized ADP for ECC Application (i.e., Green, Orange-A, Orange-B and Red Category, respectively) at each Upazila Parishad.
>
> ・ECC examination is carried out for each categorized ADP.　Once it is concluded that application

documents are thorough and satisfactory, then, ECC is to be issued for the category of concern.

It is noted that this is not specified in any official letters or gazettes. So, it is strongly recommended that official discussions at the ministerial level (e.g., meeting between DoE and LGD) shall be established periodically and ECC-related issues agreed and confirmed through a series of discussions shall be clearly documented before the project implementation.

As mentioned earlier, capacity regarding environmental governance at Upazila Parishads is not in good condition, so that relevant capacity building to improve their environmental governance and clearance shall be initiated to guarantee the credibility of ECCs to be required of local development projects, to be formulated at each Upazila Parishad.

5.7.10.   Basic Directions for Proper Environmental Study Implementation

(1)   Introduction

Here, several directions for ToR development of the environmental studies to be required for ECC application are presented. First of all, entire framework of required environmental study shall be discussed and determined (i.e., project categorization) while contacting DoE district office. At this step, selection of environmental assessment such as IEE (Orange-B) or EIA (Red) study is usually carried out, based on entire significance of potential negative impacts to be caused by the implementation of Upazila development projects.

After entire framework of relevant environmental studies is delineated, selection of relevant environmental subtasks such as water quality study is to be carried out. Throughout this selection process, priorities of relevant environmental subtasks are evaluated, depending on the significance of negative impacts identified at each site, and then, site-specific ToR of environmental study to be required for the license application for each project can be formatted. For example, if potential environmental impact regarding the cultural heritage factor at the development project of concern is evaluated as "less significant" or "negligible" in its pre-surveys, priorities of relevant environmental surveys and impact assessment studies would be low. Thus, it can be said that it is not necessary to incorporate those two elaborate studies within the ToR of an appropriate environmental study.

On the other hand, if potential environmental impact regarding the flora/fauna factor at another development project of concern is evaluated as "significant" in its pre-surveys, priorities of relevant environmental surveys and impact assessment studies would become high. Consequently, relevant biological environmental survey and impact assessment study shall be incorporated within the ToR of suggested environmental study.

(2)   Generic ToR

Selected lists of environmental subtasks to be contained within a generic ToR of EIA study, required for Red Category projects, are summarized in Tables 5.7.10 – 5.7.14. It should be noted that it would be quite rare for Upazila Parishads to formulate "Red Category" projects once the Project is initiated. However, ToR formulation for the remaining three categories, Green, Orange-A and Orange-B, would be easy once the concept of ToR for "Red category" is well understood by Upazila Parishads.

Table 5.7.10 summarizes the key component subtasks to be carried out within a typical full-scale EIA study. Some of those subtasks can be simplified or skipped within IEE-level study. Table 5.7.11 summarizes the list of typical key environmental factors for the baseline environmental information collection activity. This information collection work is usually carried out within both IEE and EIA studies. Some environmental information such as meteorological and hydrological information is periodically monitored by public organizations. So, it may be beneficial and economical to use those databases for the baseline environmental information collection if sites of concern are located close to those periodically monitored areas.

When direct baseline data such as water quality of adjacent tributaries are needed for more adequate

evaluation of current environmental condition, survey programs of relevant filed surveys must be incorporated in the entire ToR of environmental study. Appropriate survey programs (e.g., both spatial and temporal scale of those field studies as well as parameters to be measured) must be adequately figured out, based on the significance of relevant potential negative impacts and its available budget (note: several field surveys cost a lot). Sample ToR descriptions of selected bio-physical and socio-cultural environmental field surveys are presented in Tables 5.7.12 and 5.7.13, respectively. Figure 5.7.5 shows the selection flowchart of relevant environmental field surveys.

Within current reports of possible EIA studies for the local infrastructure development project, several quantitative impact assessment studies are carried out for more elaborated impact evaluation. For example, when the study area is located inside or near to residential areas and the order of the magnitude of the current and predicted traffic demand are large, the roadside air quality and noise/vibration prediction studies are carried out in order to evaluate the potential negative impact under different scenarios quantitatively, and to select suitable mitigation measures. Selected impact assessment studies such as the roadside air quality prediction study and the noise/vibration prediction studies, conducted within EIA study, are summarized in Table 5.7.14.

Vehicular emission study is useful for the new bridge or road construction project that would cause significant change in the regional transport situation.

Table 5.7.10   Major Environmental Tasks to Be Required for the Environmental Study

	Environmental Tasks
1	**Descriptions of Current Environment Condition**
	Collect environmental baseline information and describe current 1) bio-physical and 2) socio-cultural environmental condition.
2	**Field Environmental Survey**

	Carry out following environmental surveys,
	  1) Roadside Air Quality
	  2) Roadside Noise/Vibration
	  3) Water Quality Survey
	  4) Biological Survey
	  5) Preliminary Cultural Surveys

3	**Environmental Impact Assessment**

	Evaluate potential environmental impacts of three project stages such as 1) pre-rehabilitation phase, 2) rehabilitation phase, and 3) operational phase shall be described. Besides, following impact assessment studies shall be conducted in order to stress out the advantage/disadvantage of the proposed project quantitatively.
	  1) Biological Impact Assessment Study
	  2) Vehicular Emission Study
	  3) Air Quality Prediction Study
	  4) Noise Prediction Study
	  5) Vibration Prediction Study
	  6) Run-off (road surface drainage) Study
	  7) Socio-Economic Impact Study

4	**Environmental Mitigation**
	Describe comprehensive, effective measures of the mitigation of negative impacts for the pre-rehabilitation, rehabilitation and operation phases of the project
5	**Environmental Management**
	Establish appropriate environmental management plan. Specific objectives of this plan are to 1) define organizational and administrative arrangements for the environmental monitoring, including the definition of responsibilities of staff, coordination, liaison and reporting procedures, and 2) to discuss procedures for pro-active environmental management, so that potential problems can be identified and mitigation measures to be adopted prior to the construction commencement.
6	**Environmental Monitoring**
	Establish appropriate environmental monitoring program. The scope of the monitoring plan are 1) to identify the monitoring tasks, 2) to identify the nature and the schedule of the monitoring, and 3) to identify samples to be taken for analysis and parameters to be measured.

Source: JICA Study Team

Table 5.7.11   Descriptions of Current Environment Condition

1. Bio-Physical Condition

(1) Regional hydrology, (2) Water quality of surface/subsurface water, (3) Air quality, (4) Regional drainage, (5) Roadside noise/vibration/air quality, (6) Climate, (7) Geology, (8) Disaster Records, (9) Soil, (10) Biological Environment
2. Socio-Cultural Condition
(1) Cultural resources, (2) Visual resources, (3) Land take/resettlements, (4) Illegal squatter, (5) Land use, (6) Water use, (7) School, hospital, park, library, religious facilities, (8) Waste Disposal Site, (9) Vehicle Registration, (10) Vehicle Inspection/Maintenance Program, (11) Clean Fuel Program, (12) Sewage system

Source: JICA Study Team

Table 5.7.12 Field Environmental Survey (Bio-Physical)

1. Roadside Air Quality
Carry out 24-hour continuous survey at several points around the study site. Parameter: PM10, PM2.5, CO, HC, NO2, SO2, and wind data
2. Roadside Noise
Carry out 24-hour continuous survey at several points around the study site (parameter: Leq)
3. Roadside Vibration
Carry out 24-hour continuous survey at several points around the study site (parameter: L_{10})
4. Water Quality Survey
Carry out surface/subsurface water quality survey at several points around the study site. Parameters: 1) pH, 2) turbidity, 3) DO, 4) BOD, 5) COD, 6) Temperature, 7) SS
5. Biological Survey
Carry out scientific description of the flora/fauna as well as other natural resources and habitats. Prepare both vegetation map and impact-identification methods in order to provide a systematic base for qualitatively delineating potential impacts to be caused by the proposed project.

Source: JICA Study Team

Table 5.7.13 Field Environmental Survey (Socio-Cultural)

1. Preliminary Cultural Surveys
Carry out cultural environment study to describe the current existing cultural resources, which include architectural, historical, and archeological sites as well as areas of unique importance because of their ecological, scientific, or geological information around the study area, and to qualitatively identify the potential impacts of the proposed project on those cultural resources.

Source: JICA Study Team

Table 5.7.14 Impact Assessment Study

1. Biological Impact Assessment Study (e.g., habitat-based methods or model approaches)
Discuss the relationship between the land use and habitat change under several project scenario. The impacts shall be quantified where possible, with qualitative descriptions provided for those impacts which cannot be quantified.
2. Vehicular Emission Study
Evaluate the amount of vehicular emission to be generated by the regional future traffic and transport condition around the study area, and carry out a comparative study under following two scenarios; i.e., **with-** and **without** proposed project.
3. Air Quality Prediction Study
Evaluate the roadside air quality to be generated by the future traffic and transport conditions around the study site and find out suitable impact mitigation measures within this project.
4. Noise Prediction Study
Evaluate the sound pressure level to be generated by the future traffic and transport conditions around the study site and find out suitable impact mitigation measures within this project. Basically, the noise impact prediction study is carried out for daytime and nighttime transport conditions, respectively.
5. Vibration Prediction Study
Evaluate the vibration level to be generated by the future traffic and transport conditions around the study site and find out suitable impact mitigation measures within this project. Basically, the vibration impact prediction study is carried out for daytime and night-time transport conditions, respectively.
6 Run-off (road surface drainage) Study
Evaluate the impacts of the proposed project (or activity) on regional drainage system quantitatively, using computer simulation models.
7. Socio-Economic and Socio-Cultural Impact Study
Evaluate the impacts of the proposed project (or activity) on several socioeconomic and socio-cultural factors such as (1) regional economy, (2) land use and utilization of local resources, (3) gender, (4) children's right (e.g., child labors), and (5) resettlement.

Source: JICA Study Team
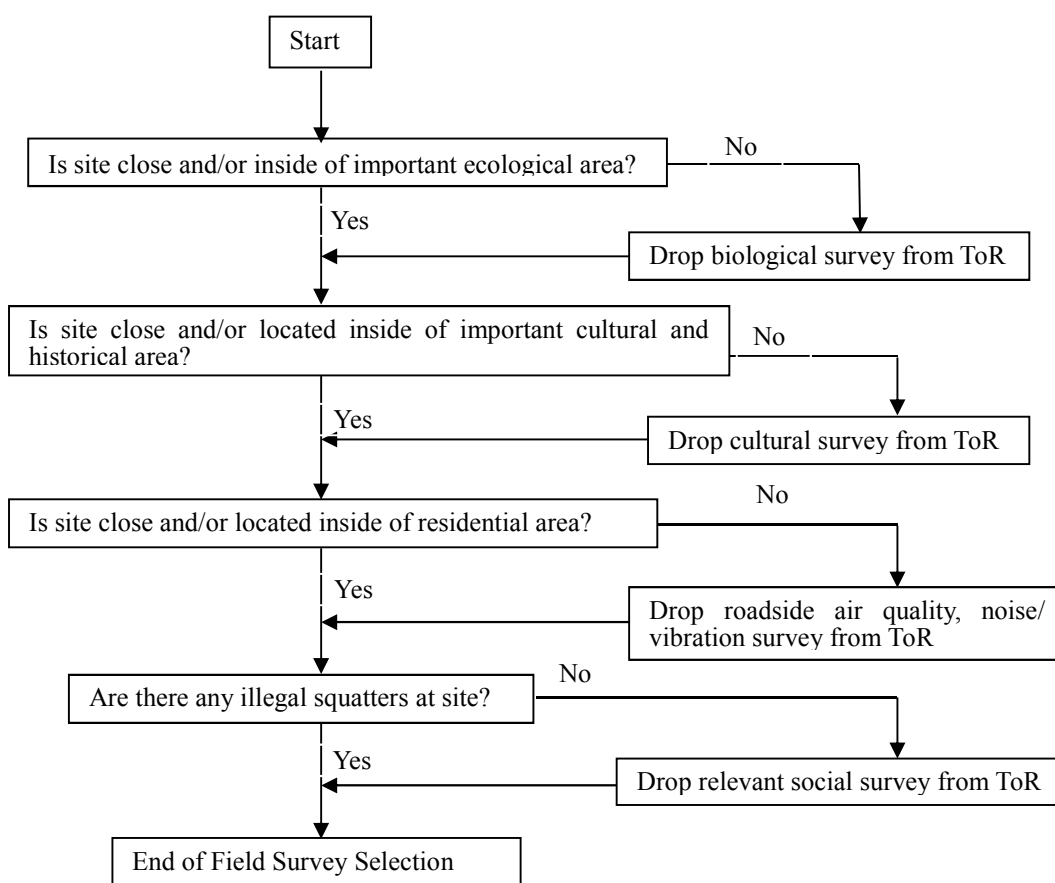
Source: JICA Study Team

Figure 5.7.5   Environmental Field Survey Selection Flowchart

5.8.   Operation and Maintenance Mechanism

5.8.1.   Overview of Institutional Arrangement

Although the types of sub-projects cannot be determined *a priori*, it is well anticipated that the construction and rehabilitation of rural roads may top the list of sub-projects proposed by Upazila Parishads.   Likewise, a relatively large share of project funds may go to rural water supply and sanitation facilities, school buildings, government buildings, and cyclone centers.   The present study takes a closer look at a few schemes which are likely to enjoy popularity among Upazila Parishads to show how operation and maintenance (O&M) is and should be done.   Here are some of the fundamental strategies all Upazila Parishads consider adopting for effective O&M and sustainability regardless of scheme types.

(1)   Enhanced capacity of construction control

Above all, management and supervision capacity of construction works of Upazila Parishads should be given special attention for the sake of sustainability of schemes.   In the rural setting, not all contractors are staffed with experienced workforce and extensive technical supervision is required.   Solid construction during the implementation stage will lead to less financial requirement of maintenance in the long run.

(2)   Preparation of project proposals (UPP)

Laying out a solid O&M plan will have positive impact on future O&M activities.   Generally O&M

strategy and plan include 1) institutional set-up and operation/management option (direct LGI management, concession to community organization, lease agreement with cooperatives and private corporations, etc.), 2) financial arrangement (subsidies, user fees, etc.), 3) scheduling of maintenance activities, 4) defining recurrent cost (and major rehabilitation cost) and 5) capacity development activities.

(3) Asset management

Creating and managing the inventory of fixed assets is a precondition for their sustainable maintenance. Even though available funds are never sufficient, asset management should not be taken lightly. With asset management, Upazila Parishad can ensure that available resources are utilized for maintenance of their assets in the most effective manner. The Project will provide an Asset Registry form for Upazila Parishad to register and monitor their asset procured by using ADP and project funds. The form will identify user and responsible party of O&M so that Upazila Parishad can monitor and follow up the status of O&M. The form will be as follows.

Table 5.8.1   Sample Form for Asset Management

Registry No.	Name and location of Assett	Date of constrcution /procurement	Original cost	Source of fund	User/ Lessee of the asset (if any)	Last date of maintenance	Amount of expenditure	Source of money for maintenace	Next date of maintenance	Remarks

Source: JICA Study Team

(4) Emphasis on field-level training

Due to the decentralization process in recent years, local government institutions are increasingly being entrusted with O&M of rural infrastructure. In the Bangladesh context, rural infrastructure is operated and maintained more and more by Union Parishads and community groups/local residents. Rural institutions and community associations are still weak in their capacity and need further capacity development before they can effectively take on the responsibilities of operating and managing the infrastructure.

(5) Enhancement of coordination with and involvement by NBDs

Linking technology choice with O&M is always a key factor for sustainability of rural infrastructure. Coordination with NBDs in planning, implementation and monitoring will have a long-lasting positive impact on the sustainability of rural infrastructure.

5.8.2.   Rural Road

(1) General Outlook and National Strategy and Policy for O&M

LGED classifies the national transportation system into four major categories. The custodianship of all Upazila and Union roads rests exclusively with LGED while the responsibility of the development and maintenance of village roads is conferred to LGIs. Upazila Parishads are mandated to implement and maintain Village Road - B type as presented in Table 5.8.2. But in reality LGED also utilizes its available resources in the rehabilitation and maintenance of Village Road - B type. Currently Upazila Parishads allocate very little budget in the maintenance works. Even if Upazila Parishads construct or rehabilitate village roads with ADP funds, only "regular" maintenance (see Table 5.8.3 for types of maintenance works), is done by Union Parishads and surrounding communities. Funds for "periodic" and "emergency" maintenance are to be sourced from Upazila Parishads' budget, but reality proves that only limited efforts are being made.

Table 5.8.2   Role of LGED and LGIs in Construction and Maintenance of Rural Roads

	Responsible Organizations for Construction	Responsible Organizations for Maintenance
Upazila Road	LGED	LGED
Union Road	LGED	LGED
Village Road - A	LGED	LGED
Village Road - B	LGIs	LGIs (Zila, Upazila and Union Parishads)

Source: Rural Road and Bridge Maintenance Policy, LGED (http://www.lged.gov.bd/Uploaded Document/Unit Publication /7/98/ Rural_Road_Bridge_Culvert_Maintenance_Guideline.pdf)

Maintenance activities for village roads commonly include off-carriageway area works and the road surface repairs.   The off-carriage works are mostly related to maintaining the drainage system and side slopes in good condition that permits the controlled run-off of water away from the road.   The road surface repairs, on the other hand, mainly consist of maintaining a good running surface on the road, free from any obstructions and damage.   The following table presents the detailed description of different types of maintenance activities for village roads.

Table 5.8.3   Maintenance Works for Village Roads

Types of activities	Description
Regular (routine) maintenance	Routine maintenance is a recurrent activity. It is done regularly and in a timely manner at an early stage when the road deterioration and damage are still limited. - Erosion control on shoulders and slopes - Clear culverts and other waterways - Minor repairs to culverts and retaining structures - Repair, fill and compact potholes
Periodic maintenance (extensive overhaul)	In addition to the routine maintenance carried out each year, the road will need more costly activities such as reshaping of the road surface after a certain number of years. This periodic maintenance includes: - redoing of graveling and resurfacing of road - spot improvement and rehabilitation of failing sections - installation of new culverts
Emergency maintenance	Besides scheduled maintenance activities, Upazila Parishads may need to make provisions for the occurrence of unforeseen damage to the road network. This type of maintenance includes: - repair or reconstruction of damaged drainage structures due to floods or over-weight vehicles - repair or reconstruction of damaged road sections due to wash-outs, erosion or floods

Source: Interview with LGED Maintenance and Training Section

(2)   Financial and Institutional Capacity

Whilst the cost of village road maintenance may be small, it is still considered to be burden on LGIs' budget.   Figures for overall fund allocation and expenditure on road maintenance at the Upazila level are difficult to come by, but based on the interviews at one Upazila Parishad LGED section, road maintenance allocations, being part of the recurrent budget, are very minimal.   Due to the constraints in revenue budget, it is easily imaginable that where there is a budget for rural road maintenance, often little is spent from revenue on routine and preventive maintenance activities in most of Upazila Parishads.

	Financial	Institutional	Challenges
Regular Maintenance	1) Union Parishad revenue budget 2) Local residents' contributions	Union Parishads / Local Residents	- Limited awareness on the effect of regular and timely maintenance
Periodic Maintenance	1) Upazila Parishad revenue budget 2) Union Parishad revenue budget	Upazila Parishad / Union Parishad	- Limited financial resources - Limited technical/administrative capacity
Emergency Maintenance	1) Upazila Parishad revenue budget	Upazila Parishad	- Limited financial resources - Limited technical/administrative capacity

Source: JICA Study Team

Figure 5.8.1   Operation and Maintenance of Rural Roads

Maintenance of roads is not totally a financial issue.   Effective maintenance requires a certain level of technical and administrative capacity as well.   Administrative capacity as such encompasses the proper maintenance policy/planning and above all awareness that maintenance should not be considered a secondary issue.   It is assumed that technical and administrative capacity of Upazila Parishads vis-à-vis road maintenance is still crucial and important, if not the highest priority.

(3)   Financial Arrangement and Institutional Setup

Increasing financial resources, for instance, in Upazila Parishads revenue budget overnight is unrealistic. The introduction of road funds for rural road network is not a reasonable argument, either.   Therefore, priority should be clear when it comes to the different types of maintenance activities.   Regular or routine maintenance is intended to slow down the deterioration of road and only requires small resource inputs.   Since regular maintenance is a widely dispersed activity over a large network of dispersed locations, this operation is suited for labor-based work methods thereby relying to a large extent on local communities.   It is in this sense that clearly it has to be in the interests of the local residents to see the roads are maintained although rural incomes are generally very low and there is little available to pay for maintenance.

5.8.3.   Water Supply and Sanitation System

(1)   General Outlook and National Strategy and Policy for O&M

Ambiguities exist in the legal mandate when it comes to the implementation of rural water systems.   In the rural setting, DPHE as well as LGIs plan and implement "point source" water systems, which are largely categorized as "deep/shallow tube-well" and "hand pump tube-well."   Due to the limited technical and administrative capacity, it is unlikely that Upazila Parishad plans and develops pipeline water systems.

In terms of operation and maintenance, the picture is a bit clearer.   According to the National Policy for Safe Water Supply & Sanitation 1998, rural communities are responsible for operation and maintenance of hand-pump and tube-well systems.   In the past, water supply and sanitation services were provided mostly free of charge.   The role of the users in cost sharing and operation and maintenance was negligible.   But, now it is a widely recognized strategy that water supply services are provided based on user demand and cost-sharing.   LGIs including Upazila Parishad rarely take charge of direct operation and maintenance of those rural water systems.   User communities are responsible for operation and maintenance of water supply facilities and shall bear its total costs.   The maintenance in reality is done in three ways.   First, it is through caretaker method in which a well caretaker is responsible for regular maintenance and minor repairs.   Secondly, a well is operated and maintained by a user community association like Water Supply and Sanitation Committees (WATSAN).   Thirdly, the maintenance responsibility rests with LGIs (Upazila Parishad and Union Parishad) when the facilities are located in the government compounds.

Concerning sanitation facilities like public latrines, they are constructed at village markets, bus terminals or other public places. In most cases, the public latrines are leased out to the operators of market and public facilities. Therefore, Upazila Parishad is free of responsibility in their operation and maintenance.

In summary, Upazila Parishad in effect allocates very little or no budget for the operation and maintenance purpose of water supply and sanitation systems.

(2) Financial and Institutional Arrangement and Institutional Set-up

It is not easy to tell what a proper institutional set-up for operation and maintenance of water supply and sanitation facilities is. Institutional set-up and financial arrangement may vary from one situation to another and also depending on technology options. Nevertheless, it is somewhat clear that in practice the degree of LGIs' involvement in O&M is low. Users and community organizations are in charge of their water supply systems in accordance with the fundamental O&M policy set forth in the National Policy for Safe Water Supply & Sanitation 1998. Measures are being taken so that users or beneficiaries can bear the O&M cost of water supply and sanitation services. Regular maintenance of a hand pump system, for instance, is manageable at the community level and village caretakers can perform all maintenance works.
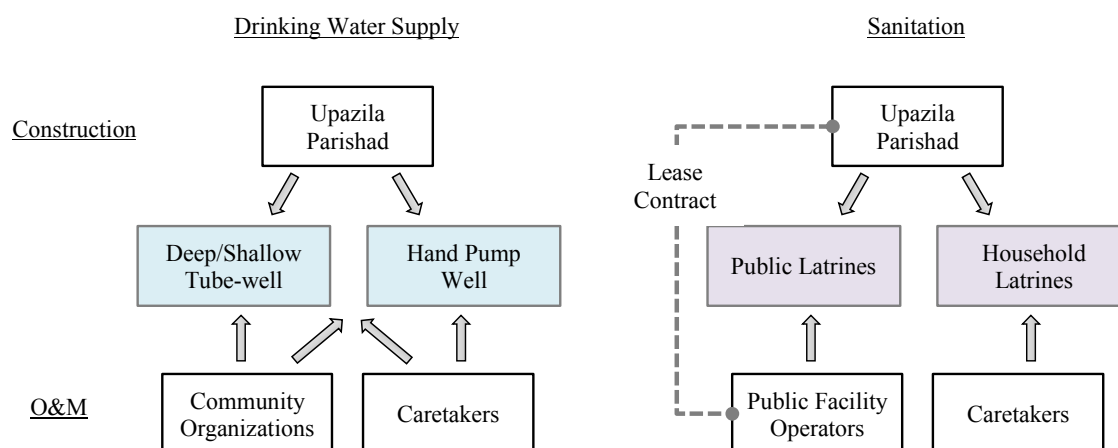
Source: JICA Study Team

Figure 5.8.2   Institutional Set-up of Operation and Maintenance in Water Supply and Sanitation

(3) Financial Arrangement and Institutional Setup

The role of Upazila Parishads in the O&M of water supply and sanitation facilities may be limited, but their responsibility over the sustainability of the facilities constructed through public funds is never marginal. Upazila Parishads particularly UNO, Upazila Engineer and Office of DPHE, are to take active role in the monitoring of the O&M operated by community organizations, village caretakers and operators of public facilities: 1) publicity campaign (discouragement of contamination of water by various waste materials), 2) social mobilization for use of safe water and water conservation, 3) behavioral development and changes in user communities, and 4) hygiene education to be emphasized and facilitated by the relevant officers of Upazila Parishads for the sake of sustainability of water supply and sanitation facilities.

5.9.   Additional Personnel at Upazila: Upazila Development Facilitator

5.9.1.   The Issue

Judging from the current local administration system and considering the complexity of the Project implementation procedure, it seems necessary to position some additional personnel at Upazila 1) to

strengthen Upazila as local government and 2) to manage the implementation of the Project.

The first reason above takes long-term views based on the analysis of Bangladesh's current policy and system. It is evident from related Chapters and Sections of this Report that Upazila is weak in its administrative structure and personnel. The issue of additional personnel at Upazila should be understood as a possible means to strengthen Upazila as an effective local government institution in Bangladesh. By contrast, the second viewpoint is an immediate and practical one, addressing the pressing problem inherent to any large-scale project. If efficient and problem-free implementation of the Project is to be pursued, we should consider the additional personnel who will facilitate Upazila to better manage the Project implementation.

5.9.2. Tasks of the Additional Personnel

As such, the additional personnel should do following tasks:

- Assist Upazila Parishad to identify strategic projects;
- Assist Upazila Parishad to prepare the documents to apply for the funds;
- Assist Upazila Parishad to implement the sub-projects;
- Assist Upazila Parishad to prepare the documents to report to LGD;
- Assist Upazila Parishad to prepare the five-year plan;
- Assist Upazila Parishad to coordinate and monitor Union Parishad development activities;
- Assist Upazila Parishad to realize a sound financial management including Loan Project accounting;
- Assist DDLG to monitor and supervise Union Parishad and Upazila Parishad; and
- Assist Union Parishad to conduct and facilitate the Union Development Coordination Committee Meeting.

5.9.3. Some Considerations

Since these tasks should be Upazila specific and require considerable time, it is reasonable to assign one such additional personnel to each Upazila. He or she should work closely with Upazila Parishad Chairperson, Vice Chairpersons and Upazila Nirbahi Officer (UNO) by assisting them to carry out duties stipulated to Upazila in general and those related to the Project implementation in particular.

It is possible and common to hire project-based personnel to carry out such tasks as delineated above. This is a reasonable and justified solution to the concern of smooth project implementation. Considering the expected workload, one such facilitator to every Upazila is the best possible arrangement. However, depending on the population size and geographical location of Upazilas, one such facilitator to three Upazilas may still be a viable option.

As far as smooth project implementation is concerned, this arrangement will just be sufficient. However, it is not "sustainable" in the sense that these facilitators will leave Upazilas once the Project is over. If our long-term concern is strengthening Upazila as a pivotal local government institution, the additional personnel experimented under the Project should be perennial.

5.9.4. Upazila's Mandated Functions

One of the objectives of the Project is to "strengthen Upazila Parishad as local government." That is, the Project aims to assist or facilitate Upazila to properly carry out its mandate as stipulated in the Act.[100] The mandated functions can be categorized into four main duties:

- Making of the Five-Year Development Plan;
- Instruction to, supervision and coordination of the 17 NBDs transferred under Upazila Parishad;
- Strategic allocation of the Upazila budget and management of the schemes; and
- Coordination, monitoring and support of Union Parishad development activities.

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[100] Upazila Parishad (amended) Act, 2011, Second Schedule "Functions of Upazila Parishad." There are 18 items specified in the Schedule.

Upazila Parishad also has a number of responsibilities upward (to District) and downward (to Union Parishad).[101]

Upazila Parishad Chairperson, two Vice Chairpersons and Upazila Nirbahi Officer (UNO) should be responsible for these duties.   They should take initiative to carry out the duties above.   Among these four, UNO as the Chief Executive Officer of Upazila Parishad is the person who should be supported and capacitated to take lead of the Upazila administration.   According to the Act, functions of UNO are defined as follows:

> Upazila Nirbahi Officer shall be the Chief Executive Officer of the Parishad and he shall render secretarial services to the Parishad.

> Implementation of decisions of the Parishad, maintaining financial discipline and other functions determined by rules shall be performed by the Chief Executive Officer.[102]

It is clear from this provision that the UNO should be the main target for whom support and capacity development should be provided under the Project.

5.9.5.   Upazila Nirbahi Officer

Circumstantial evidence, however, strongly suggests that UNOs are not fulfilling their responsibilities as stipulated.   For example, only 70 or so Upazilas (about 15%) have ever prepared their Five-Year Plan. It is highly unlikely that any of them is allocating its budget from Upazila's strategic viewpoint; the common practice is such that they divide the budget more or less equally among the Unions.

Why do they not fully carry out their mandated duties?   Are they not capable?   Are they not aware of the legal provisions?   Are they not motivated enough to take initiative to stop the old practice?   If any one of these is the case, then LGD should take action to rectify it, either by reprimand or training.

Another, more plausible reason is that they are too "busy" to care about those duties.   As a matter of fact, UNO should attend (and often preside over) so many committee meetings, regularly report to Deputy Director, Local Governance at District, and attend various functions locally held.   If UNO is too "busy" to face his principal duties squarely, no reprimand or training will work.   The only solution is to lessen UNO's workload by assigning **Special Assistant to UNO**, who will take up part of UNO's daily official engagements.

5.9.6.   Special Assistant to UNO

In relation to Special Assistant to UNO, we may refer to Article 51 of the Local Government (Upazila Parishad) Ordinance, 2008,[103] which reads:

> **51. Officials and employees of the council-**

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[101] In relation to the District administration, the Act orders Upazila Parishad to submit following key public documents to District: meeting proceedings of every Parishad meeting (Article 27); annual budget (Article 38); annual statement of the accounts (Article 39); and development plans (Article 42).   In downward direction, the Local Government (Union Parishad) Act, 2009 stipulates that the Upazila Nirbahi Officer (UNO) be involved in the Union affairs in such cases as:
1. Appointment of Delimitation Officer (Article 12);
2. Motion of no-confidence against the Union Chairman or any Union Parishad member (Article 39);
3. Assignment of an observer to a summon-meeting of the Union Parishad (Article 42);
4. Receiving reports of all decisions (minutes of proceedings) of the Union Parishad (Article 44);
5. Receiving a copy of the budget (Article 57);
6. Receiving a copy of the statement of the receipts and expenditure accounts (Article 58); and
7. Instruction to the person who ignores requests made by the auditors (Article 60).

[102] Upazila Parishad (amended) Act, 2011, Article 14.

[103] This short-lived Ordinance was enacted by the non-party caretaker government of Fakhruddin in 2008 but overridden later in the next year by the Awami League government.   It chose to go back to the Upazila Parishad Act, 1998, with some modifications added in 2009.   The provision of Secretary did not survive; in the modified law of 2009, UNO himself was named Secretary of the Parishad (Article 33).   For a concise history, see Nizan Ahmed, *et al*., n.d., *Working of Upazila Parishad in Bangladesh: A study of twelve Upazilas*. Chapter 2.

(1) The Upazila Nirbahi Officer working in the upazila shall act as the Chief Executive Officer of the Upazila Council.

(2) *The Government shall appoint an appropriate official as the Secretary.*

(3) The duties and responsibilities of the Chief Executive Officer shall be determined by rules. [Italics added.]

The Secretary mentioned in Item (2) is worth noting. The Ordinance does not explicitly describe the roles of the Secretary but judging from the context it is evident that the Secretary is supposed to be someone who should assist the Chief Executive Officer, i.e., UNO. The Ordinance only stipulates that the Secretary should be an "appropriate official" presumably stationed and working at Upazila.

This Secretary provisioned in the Local Government (Upazila Parishad) Ordinance, 2008 seems equivalent to Special Assistant to UNO proposed here. It is recommended to revive this Secretary position throughout the Upazilas. The simple procedure of his or her appointment should be:

1) UNO selects and appoints one official from among the officials stationed at the Upazila; any official UNO thinks best qualified for the post would be eligible.

2) Upazila Parishad approves the appointment.

The new structure of the Upazila administration is depicted in Figure 5.9.1.
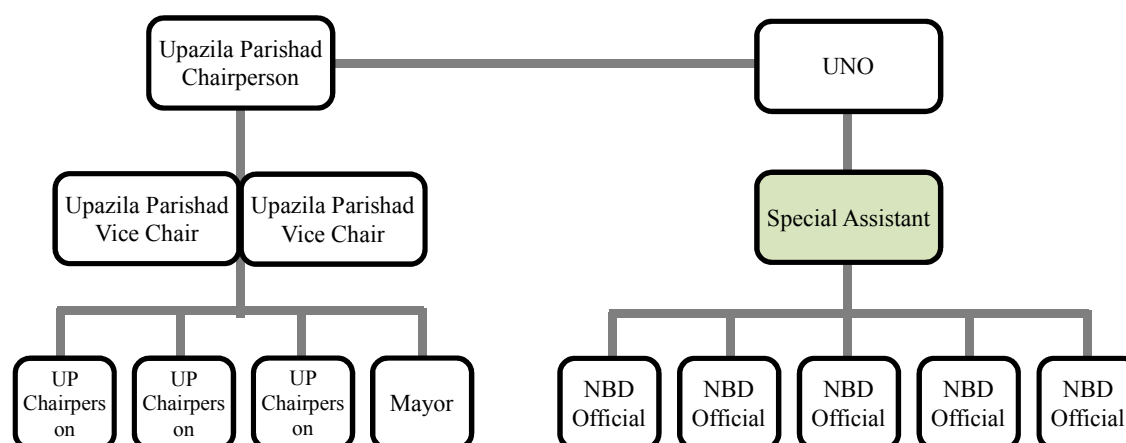
Figure 5.9.1   Proposed Structure of Upazila Administration

5.9.7.   Note on Assistant Commissioner Land (AC Land)

According to one UNO the JICA Study Team interviewed, it is provisioned that Assistant Commissioner Land (AC Land) should act as "Deputy" of UNO. This has yet to be confirmed but it is most likely that AC Land is appointed as **Acting UNO** to bear UNO's responsibility when UNO is absent from office for some period.

The Special Assistant to UNO proposed here is different from the Acting UNO in that the Special Assistant to UNO will carry out some duties of UNO even while UNO is present in office. Special Assistant to UNO is to be assigned to reduce UNO's daily workload and give UNO time to concentrate on his primary responsibilities. Acting UNO should not be confused with Special Assistant to UNO for our purposes.

5.9.8.   Upazila Finance and Planning Officer

Another consideration is Upazila Finance and Planning Officer. According to the organogram prepared by LGD, each Upazila is supposed to have Upazila Finance and Planning Officer. This

position, however, remains vacant throughout Bangladesh. Judging from its title, this official should be the right person to take charge of the five-year development plan and project administration. In his or her absence, this Study proposes that UNO should take lead of the particular duties and Special Assistant to UNO should support UNO by sharing part of his or her day-to-day duties. The long-term goal for LGD or Bangladeshi Government should be to station Upazila Finance and Planning Officer at each and every Upazila as envisaged in the organogram.

5.9.9. Strengthening Upazila Government: Long-Term View

If Upazila Parishad should be strengthened as local government, our first step should be to assign Special Assistant to UNO in all Upazilas and the second step should be to further develop UNO's and Special Assistant's capacity to manage Upazila in a more effective way.

It is expected that by undergoing the implementation process for a few times with the facilitator's assistance, UNO and Special Assistant to UNO will acquire hands-on experiences of project management and become fully capable of carrying out Upazila's official mandate. Once the Project is over and the facilitators are demobilized, UNO and Special Assistant to UNO will be left with enhanced capacity to administer the Upazila government on their own. This is the scenario for the Project to accomplish its long-term objective.

5.9.10. Upazila Development Facilitator: Short-Term Measure

In the absence of the Special Assistant to UNO currently, UNO should be largely responsible for managing the Project at the Upazila level. Considering the substantial amount of administrative tasks to be carried out additionally for Upazila Parishad to participate in and implement the Project, we should deploy some project-based facilitators to assist the participating Upazila Parishads with their newly assigned administrative work. These facilitators are called Upazila Development Facilitators (UDFs). This is the short-term measure to augment the capacity of Upazila Parishads to implement the Project properly, efficiently and without much delay.

The Upazila Development Facilitators will be employed strictly on a project basis, with their contract period limited to five or four years. Nonetheless, as explained in the previous section, it is expected that UNO will be able to acquire necessary experiences and skills to fully carry out Upazila's official mandate while being closely assisted by the Upazila Development Facilitator.

5.10. Terms of Reference for Upazila Development Facilitator

Project implementation risk is considered substantial due to weak governance and limited capacity at the Upazila level. To minimize such risk to the extent possible, the project design includes the deployment of project-supported facilitators, named "Upazila Development Facilitator" at the Upazila level. UDF will work under supervision of DDLG and with technical guidance from PMU, and primarily play a catalytic role at the Upazila level to support UNO and other functionaries in discharging their original functions. The Terms of Reference for UDF are as follows:

Roles and Functions

1 facilitate Upazila Parishad to implement "Upazila Governance Improvement Action Program"

2 be stationed in one of the recipient Upazila Parishads under Component 1 (but move to a newly joining recipient after two years) and offer hands-on support to Upazila Parishad and Upazila-level officers in implementation of the following tasks:

  1) preparation of development plans (5-year and annual), which are the basis for sub-projects under the Project;

  2) identification of priority development sub-projects (securing that they are selected on the basis of development plans);

  3) formulation of sub-project documents;

4) submission of proposed sub-projects to LGD/PMU;

5) preparation of budget of sub-projects;

6) implementation of sub-projects;

7) financial management of sub-projects;

8) monitoring of and periodical visit to sub-projects;

9) preparation of annual and quarterly progress reports of the Project; and

10) any other coordination efforts required to achieve the afore-mentioned functions

3   make periodic visits to the "already-supported/graduated" Upazila Parishads to monitor that they maintain the enhanced capacity and comply with the internal administrative procedure of GoB as well as requirements pertaining to the Project (JICA loan project)

4   support in accommodating monitoring, audit and governance performance assessment by the central government agencies including PMU, particularly in data-gathering with regard to performance indicators

5   ensure people's participation in the Project through visit to and monitoring of Union-level activities such as Union Parishad meetings, UDCC meetings, open budget meetings, Wardshava, etc

6   prepare monthly activity reports of UDF and send them to LGD/PMU

7   inform LGD/PMU of problems and obstacles that need attention and specific assistance

8   hand over the functions of UDF to Upazila Parishad and identified Upazila officers

The qualifications and competencies required of Upazila Development Facilitator are as follows:

Qualification and Competencies Required

1   have minimum 3 years of experience of working with LGIs/other rural institutions or extensive working experience in development activities

2   at age 45 years old or younger

3   holder of Honors Degree Pass

4   have sound knowledge of the local government system of Bangladesh

5   have excellent communication skills both in Bengali and English (written and oral)

6   have excellent computer skills (Word, Excel and Powerpoint)

7   have cultural, gender and religious sensitivity and adaptability

The Upazila Development Facilitator, in principle, will be assigned to one Upazila Parishad for maximum two years.   He or she will be moved to a new station every two years.

5.11.   Required Training

The objective of the Project is to enhance the capacity of Upazila to deliver effective public services to citizens by providing capacity development programs and fiscal transfer to Upazila.   Considering such nature of the Project, technical and institutional capacity of all relevant stakeholders, such as Upazila Parishad Chairperson, Vice Chairpersons and members, Upazila Nirbahi Officer (UNO), NBD Officers at Upazila level and LGD officials has to be improved for successful implementation of the Project.   It is also important to make sure that UDFs are equipped with capacity to strengthen the project management at the field level.   Details of proposed trainings will be explained in the following subsections.

5.11.1.   Method of Proposed Training for Capacity Development

As is shown in Figure 5.11.1, proposed training will be done at the national and local levels using the cascade model.   It starts from orientation and capacity development for LGD, PMU and training

institutions. LGD and PMU will train master trainers from the training institutions. The master trainers will provide Training of Trainers (ToT) for Upazila Parishad officials about necessary skills to plan, budget and monitor sub-projects as well as for the elected functionaries at Upazila levels about basic knowledge such as the Upazila Parishad Act. The trained officials are to conduct trainings to other stakeholders involved in the management of sub-project including proposal writing, etc. The master trainers also provide training to UDFs who will facilitate the management process of sub-projects at the Upazila while LGD and PMU hold orientation for DLGs and DDLGs to let them function as supervisors of the process at the Upazila level.
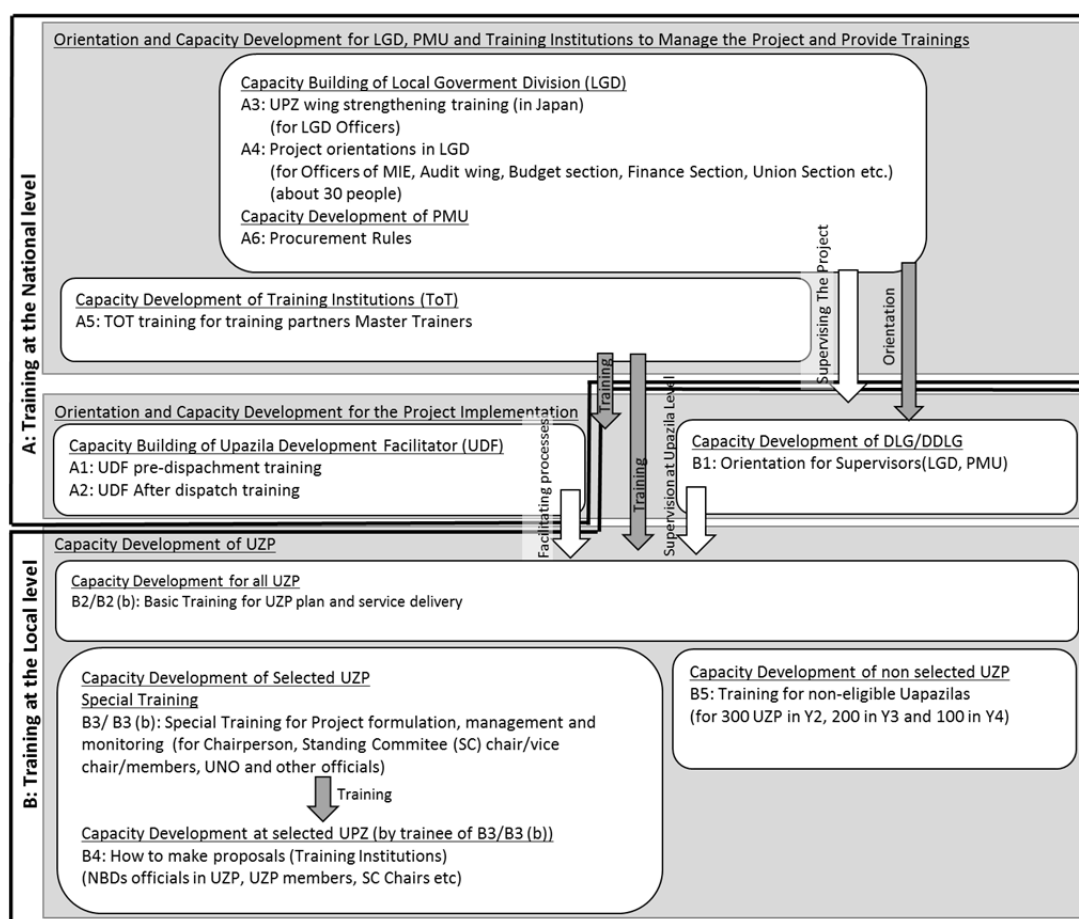
Source: Prepared by the JICA Study Team

Figure 5.11.1   Conceptual Image of Training for Capacity Development under the Project

5.11.2.   Details of Proposed Training

Details of the proposed trainings are explained as follows (see Tables 5.11.1 and 5.11.2 as well).

(1)   Trainings at National Level

(a)   Orientation and Capacity Development for LGD, PMU and training institutions

Capacity development starts from building up institutional setting as well as capacity to implement the Project itself. In Table 5.11.1, A3, A4, A5 and A6 are trainings and orientations for LGD, PMU and training institutions that implement the Project.

Upazila Wing Strengthening Training in Japan (A3) is a training course in Japan to learn management of Block Grant and Central Transfer to LGIs in other countries. The expected targets are officers at LGD.

Project Orientations in LGD (A4) is orientation about the Project objectives and mechanisms. Approximately 30 LGD officers such as officers of MIE, Audit Wing, Budget Section, Finance Section, Union Section, etc. will participate in the orientation and have necessary understanding to implement the Project.   Training of Trainers (ToT) for Training Partners (A5) is a training session for master trainers of training institutes such as NILG, BARD, RDA, etc.   Training institutes will be selected in the planning process of the Project.   Training on Procurement Rules (A6) is to provide opportunity for PMU to learn procurement acts and rules in Bangladesh to prevent corruption and malpractice in the Project implementation.

(b)   Capacity Development for the Project implementation at Upazila level

UDF has an important role to ensure smooth management of the sub-project at the Upazila level.   UDF Pre-dispatch Training (A1) is a training session for Upazila Development Facilitators before their dispatch to Upazilas in charge.   Its content is to understand basic roles and functions of Upazila Parishad, Upazila Parishad Act and related ordinances, and project procedure and flow of work.   A total of 200 UDFs are expected to take part.   UDF Refresher Training after dispatch (A2) is a refresher training for the dispatched UDFs.   This training will help experienced UDFs to review what they have learnt and set it in place.

(2)   Trainings at Local Level

(a)   Orientation for the Project implementation at Upazila level

The Project utilizes existing supervising functionaries of DLG and DDLG to ensure smooth implementation of the Project at Upazila level.   In Table 5.11.2, B1 is to facilitate high-rank officials' understanding on the Project and introduce UDFs and their functions to district-level officials.

(b)   Capacity Development of Upazila Parishad

B2 and B2 (b) provide basic knowledge and mutual understanding on the roles and functions of Upazila Parishad to Chairpersons, Vice Chairpersons, new UNOs, etc.   Since Upazila Parishad started functioning relatively recently, this training is crucial to establish a foundation to plan, budget and implement the sub-projects.

B3 and B3 (b) are special training for selected Upazilas that will prepare proposals for sub-projects. These training sessions provide skills for NBD personnel mainly to formulate, manage and monitor sub-projects.   Officials trained in B3 and B3 (b) are expected to train Parishad members, Standing Committee chairpersons and vice chairpersons to let them understand eligible activities of sub-projects, how to procure equipment, how to take proper environmental and social considerations and how to formulate action plans (B4).

It is also proposed to train non-eligible Upazilas that were screened out of selection, thereby some of the Upazilas will meet criteria for eligibility in the next round of performance assessment.

Table 5. 11. 1   Training at National Level

No.	Training Title	Objective	Content	Participants	Training Provider and Location
A1	Upazila Development Facilitators (UDFs) pre-dispatch training	To understand project objectives	Understanding basic roles and functions of UDF Upazila Parishad Act and related ordinances Project procedure and flow of work	Year 1: 100 UDFs (in 3 batches) Year 2: 100 UDFs (in 3 batches)	NILG (Dhaka)
A2	UDF	To facilitate UDFs'	Project monitoring and reporting	Year 1: 100 UDFs	NILG

	after-dispatch training	understanding of post-proposal project implementation and monitoring	on the Project Procurement and reporting Case studies Project performance indicators and audit procedure Formulating next year's budget	(in 3 batches) Year 2: 100 UDFs (in 3 batches)	(Dhaka)
A3	Upazila Wing strengthening training	Training in Japan or in a third country	Management of block grant and central transfer to LGIs in other countries	LGD officers	JICA
A4	Project orientation in LGD	For related Sections and officers, to get familiar with the Project	Objectives and mechanism of the Project	Officers of MIE, Audit Wing, Budget Section, Finance Section, Union Section, etc. (about 30 in total)	PMU
A5	ToT training for training partners (PMU) and master trainers	To strengthen training institutions' function to provide training according to the curriculum set by PMU	Brief on basic curriculum Teaching method including facilitation, peer learning, action learning, etc.	Partner training institutions (NILG, RDA, BARD, NAPD and BIM)	NILG (Dhaka)
A6	Training on procurement rules	To learn procurement acts and rules in Bangladesh to prevent corruption and malpractice	Procurement acts and rules in Bangladesh	PMU officers	NILG (Dhaka)

Source: Prepared by the JICA Study Team

Table 5. 11. 2　Training at Local level

No.	Training Title	Objective	Content	Participants	Possible Training Provider/ Location	Remarks
B1	Orientation for supervisors	To facilitate high-ranking officials' understanding of the Project Introduce UDFs to district level	Project outline and purposes Roles and functions of high-ranking officials under this Project Roles and functions of UDFs	DLGs DDLGs Some UDFs	Dhaka	Orientation meeting and workshop for DLGs and DDLGs
B2	Basic training on Upazila Parishad planning and service delivery	To provide basic knowledge and mutual understanding on the roles and functions of Upazila Parishad	Roles and functions of Upazila Parishad Upazila Parishad Act, rules and regulations	Upazila Parishad	Training Institutions (NILG, RDA, BARD, NAPD, BIM)	
B2(b)	Basic training on Upazila Parishad planning and service delivery for newcomers	To provide basic knowledge and mutual understanding on the roles and functions of Upazila Parishad	Roles and functions of Upazila Parishad Upazila Parishad Act, rules and regulations	New UNOs Women members New Upazila-level officers, etc.	Training Institutions (NILG, RDA, BARD, NAPD, BIM)	
B3	Special training for project formulation, management and monitoring	Specialized training for Upazila officials who are in charge of budget formulation	Preparation of investment proposal Preparation of budget Monitoring and evaluation Audit and evaluation	Chairpersons SC Chairpersons (Upazila Vice chairpersons) Members UNO Other officials	NILG, RDA, BARD	This training also serves as ToT for training B4
B3(b)	Special training for project formulation, management and monitoring	Ditto	Ditto	Ditto	Ditto	Ditto

	for newcomers and refreshers after 2019 elections					
B4	Training on proposal writing	To provide basic skills to NBDs, Upazila Parishad members and SC Chairpersons to prepare proposals on investment using the Project funds	Writing proposals (Upazila Project Proposals) Understanding eligible activities, Method of procurement Environmental and social considerations Formulating action plans	NBD officials Upazila Parishad members SC Chairpersons	At Upazila	Trainees of B3 will be trainers NBD officers will learn how to utilize Project funds to improve their services at Upazila
B5	Training for non-eligible Upazila Parishads	To provide specific training to non-eligible Upazila Parishad to improve governance	Institutional capacity Financial management Development planning and budgeting Transparency and accountability	Year 2: 300 Upazilas Year 3: 200 Upazilas Year 4: 100 Upazilas	Training Institutions	

Source: Prepared by the JICA Study Team

5.11.3. Issues to Be Considered in Preparing Training

There are two issues to be discussed for successful preparation and smooth implementation of the training.

(1)   Planning the training in the planning process of training institutions

It is assumed that a number of training sessions will be conducted for the Project by training institutions, particularly by NILG as the sole institute mandated to train local government functionaries.   For example, according to NILG's training plan for FY 2014-15, total days of training in the institute are 799.[104]   Although there is some room to implement more training sessions there, training contents and schedule should be consulted with other training institutions as well at their planning and budgeting stage for appropriate allocation of human resources and facilities at the right timing.

(2)   Preparation of training in the first year of the Project

In the first year, many training sessions should be done in a relatively short period such as orientation to LGD, ToT for training institutions and training of UDFs in addition to training at Upazila level to commence proposals preparation of sub-projects.   These training sessions should be prepared and scheduled carefully with LGD, PMU and training institutions within limited time.

Since some training sessions have been conducted in the same area, training manuals and materials are available as reference.   Training institutes have experience to train LGI people.   Therefore, preparation of the training sessions under the Project should utilize existing resources in a harmonized manner to make the preparation itself effective and the training contents better.   Also, the training would have better impact if the contents cover more practical issues such as what format should be used and how, considering the fact that some projects have provided training to stakeholders about the basic knowledge to prepare and manage activities at Upazila level.

5.12.   Fiduciary/Corruption Risk Assessment and Mitigation Measures

Risks that the funds are not used for the intended purposes or not properly accounted for are indeed a

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[104] This number excludes some training done out of the plan.   The numbers of classrooms and auditoriums in NILG are 13 and 2, respectively.   The classrooms have a seating capacity of about 150-200 people.

great concern of any development partner. Fiduciary risks are considered to be substantial at the Upazila level mainly due to the lack of capacity and knowledge. In this light, several arrangements are embedded in the project design to mitigate such risks. Some of the "built-in" mechanisms are as follows.

1) Minimum project cost for sub-projects

The Project sets a minimum project cost for sub-projects, which will bind Upazila Parishads to procure contractors and suppliers only through tender procedure. This requires the formation of committee (Tender Evaluation Committee) within Upazila Parishad for inviting tenders and thereby reduces the chances of misconduct associated with procurement procedure.

2) Increased predictability of development funds and timely release of funds

The Project thrusts the strategic direction of notifying Upazila Parishads of the indicative ceiling of Project Fund at an early stage of the annual planning and budgeting cycle so that organized investment programming will be institutionalized at each Upazila Parishad. This will lead to the enhanced credibility of budget and help ensure resources are used effectively and for the intended purposes. By the same token, the Project ensures early release of Project Fund, allowing the concerned Upazila Parishads to start the procurement process and construction of schemes well in advance.

3) Prudent audit structure

Apart from the financial audit carried out by C&AG-FAPAD, the Project will place a prudent and thorough external audit to ensure the soundness of financial management at the field level. An annual financial audit of Upazila Parishads is mandatory for all sub-projects and it is conducted by audit firms (with the estimated number of packages for "field" auditors ranging from 15 to 20). The audit reports produced by the "field" auditors will be reviewed by "review" auditors (with the estimated number of packages for "review" auditors at 2). Furthermore, LGD will collaborate with ICAB through signing MOU with a view to having the latter take active role in assuring audit quality of all levels. This will help motivate Upazila Parishads to divert from any misconducts and corruptive practices.

4) Rigid reporting system

Under the current situation the preparation of quarterly reports for ADP projects is not widely practiced by Upazila Parishads. Nevertheless, the Project strictly obliges them to prepare quarterly progress reports, which contain physical and financial progress. Such reports also include the copies of the documentation of Project Selection Committee.

5) Reinforced administrative capacity by deploying Upazila Development Facilitators

Procurement procedure is an area particularly prone to misconduct and corruption. Misconduct and error can occur at any point in the procurement cycle and is not always easy to detect. Extra vigilance is always helpful in such case and in this light the Project deploys Upazila Development Facilitators to keep an eye out the procurement procedure and implementation of development activities to be undertaken under the Project.

6) Disclosure of information

Disclosure of information is strongly encouraged in the Project, which can help reduce the seeds of corruption by increasing transparency and accountability. The Project will place a high value on dissemination of information pertaining to plans (5-year and annual), budget, documentation of the Project Selection Committee, tender selection and contract awarding, financial statement, audit report, etc. on the website and on the board outside of Parishad building.

Apart from the above, the anti-corruption monitoring sheet in the following pages summarizes the measures to be taken for the Project.

Table 5.12.1   Anti-corruption Monitoring Sheet

	Risk Category	Measures/Actions	Timing	Status (as of)
	At central level			
1.	Misconduct in procurement of equipment and services	**1-1. Preparation of annual procurement plan** LGD/PMU prepares an annual procurement plan. It is a statement of planned procurements for the Project and consists of a short strategic procurement outlook, specifying details of procurement method for each bidding package/lot and need for JICA's review and concurrence.	1-1. During the 1st quarter of every fiscal year	
		1-2. Undergoing external scrutiny by acquiring concurrence from JICA LGD/PMU is required to obtain JICA's concurrence on procurement methods, bidding documents, analysis of bids, proposed awards and draft contracts prior to the awarding of contracts, if the value of the procurement exceeds a certain threshold.	1-2. Prior to the signing of procurement contract	
	At field level			
2.	Failure to comply with eligibility requirements for sub-projects	**2-1. Clear instruction in relation to positive/negative lists for sub-projects** The selection of sub-projects should be based on the development plans. Clear instruction should be made as to which types of development activities are eligible for sub-projects and proper training should be given by LGD/PMU.	2-1. When project orientation is made and any other training is conducted	
		2-2. Disclosure of documentation relating to PSC Upazila Parishad and UNO are required to publicize the deliberations by Project Selection Committee and its recommendations.	2-2. After PSC debates	
3.	Misconduct and errors during procurement cycle	**3-1. Preparation and implementation of field-level monitoring plan** LGD/PMU in cooperation with other government bodies and DDLGs prepares (or incorporate in Annual Plan) field-level monitoring plan annually and conduct monitoring to not only detect misadministration in individual procurement but also devise efficient actions to strengthen financial accountability (/fight corruptive practices).	3-1. Regularly (on sampling basis)	
		3-2. Preparation of operational manual for financial management LGD/PMU will prepare an operational manual for Upazila Parishads with a view to presenting step-by-step procedure and compliance of financial management. This comprehensive Financial Management Manual shall feature all segments of financial management such as procedures and compliance of budgeting, procurement, accounting, disbursement, budgetary control, asset management, financial reporting and auditing.	3-2. Shortly after the effectuation of loan agreement	

		3-3. Comprehensive training for financial management	3-3. Regularly and recurrently	
		LGD/PMU in cooperation with NILG and other relevant organizations will provide Upazila Parishad functionaries training to ensure the sound financial management. The training shall emphasize, among others, compliance with PPA 2006 and PPR 2008 of the Government of Bangladesh.		
		3-4. Preparation of annual procurement plan	3-4. During the 1st quarter of every fiscal year	
		Upazila Parishad will institutionalize the preparation of procurement plan as internal document in annual planning/budgeting cycle.		
		3-5. Disclosure of all related procurement documents	3-5. During procurement process	
		Tender will be announced publically in accordance with PPR through local newspapers. Documents of tender selection and contract awarding are also posted on the website and Parishad building.		
4.	Misconduct and errors in expenditure management	**4-1. Intensified supervision over disbursement**	4-1. When the disbursement is made to the contractor	
		Upazila Parishad Chairperson and UNO, as they assume responsibility of sound implementation of sub-projects, are required to examine that the proper procedures are maintained when certifying the contractors' claim for payment and payment order. Without certification by the authorized personnel (Upazila Parishad Chairperson, UNO, Upazila Engineer and Chief Accountant) no money should be withdrawn from the bank account of Upazila Parishads.		
		4-2. Submission of bank reconciliation statement to PMU	4-2. At the beginning of every quarter	
		Reconciliation statement of the individual accounts of Upazila Parishads shall be submitted by Upazila Parishads to PMU regularly (copies attached to quarterly progress reports). If any irregularities are found, Upazila Parishad Chairperson or UNO will investigate such cases and report to LGD/PMU immediately.		
		4-3. Maintenance of account books and supporting documents in order	4-3. Regularly	
		Upazila Parishads are required to keep account books in order and preserve all financial documents stipulated in L/A as part of the requirements of SOE procedure (at least 5 years). As the account books and supporting documents are all subject to the review by JICA, Upazila Parishad Chairperson and UNO are required to facilitate such external scrutiny and review by JICA.		
5.	Unspent balance of Project Fund	**5-1. Preparation of quarterly progress reports (financial progress)**	5-1. At the beginning of every quarter	
		Upazila Parishad is required to inform LGD/PMU the financial progress in a timely manner. If there is any balance after the payment to a contractor, such balance should be indicated		

		clearly for each sub-project in the quarterly progress reports as it may affect the recovery rate of disbursements from JICA.		
6.	Slipshod construction work	**6-1. Training in construction supervision** LGD/PMU will provide retraining of District and Upazila Engineers so that they can conduct more effective supervision on the construction works. The training framework and modules should be prepared in collaboration with LGED.	6-1. During the training sessions	
		6-2. Preparation of quarterly progress reports (physical progress) The Upazila Engineer will supervise extensively and meticulously the performance of contractors during the construction stage and provide advice where necessary to ensure the quality of construction works. The Upazila Engineer should record the physical progress of construction works in the quarterly reports.	6-2. Supervision and technical advice regularly and preparation of reports quarterly	
7.	Substandard audit quality and malpractice by auditors	**7-1. Involving expert institute in extra vigilance** LGD and ICAB shall enter into an agreement so that the latter can play an active role in assuring the quality performance of review and field auditors.	7-1. Shortly after the effectuation of L/A	
		7-2. Training of "field" auditors The field auditors may not be adequately trained by audit firms. Preliminary training should be conducted by the Project before they are dispatched to the field.	7-2. Shortly after the auditors are procured	
		7-3. Assessment of performance of auditors LGD/PMU work hand in hand with C&AG-FAPAD and the ICAB to monitor and assess the performance of auditors.	7-3. Regularly	

5.13.   Auditing

The Project is designed to encourage decentralized decision-making and implementation by financing sub-projects and improved service delivery.   For smooth implementation and possible risk mitigation, the Project needs to establish a sound monitoring systems during and after implementation of sub-projects. One of the measures to monitor compliance to the guidelines and project objectives is audit.

Usually, the Comptroller and Auditor General Office (C&AG) of Bangladesh as the government auditing institution has authority and responsibility in auditing government accounts including local government institutions and government projects.   However, budgetary and human resource constraints refrain C&AG from timely auditing of accounts of Upazila Parishad.   Since field audits have been conducted every three to five years, it sometimes takes five years to provide an audit report in a specific financial year.   In other words, possible irregularity in accounts could be found only after five years, in the extreme case.   This lack of monitoring and external checking could be one of the causes of non-compliance to rules and regulation by the Upazila Parishad.   Also frequent monitoring, frequent communication and capacity development through external audit could contribute to enhancing financial management capacity of Upazila Parishad.

While C&AG is constrained with budgetary and human resources, auditing by private audit firms with an agreement of LGD and C&AG could be an alternative way to conduct timely audit.   Auditing of Local Government Institutions by private audit firms has been conducted in similar interventions such as the Second Local Governance Support Project (LGSP 2) and Upazila Governance Project (UZGP).   The experience of such projects to cooperate with private audit firms in improving monitoring and checking is generally positive.   In order to monitor and track project money, the Project needs to conduct timely audit, within six months from the closure of the financial year, at Upazila level.   Regular audit using the international standards will also strengthen governance at Upazila level.

The audit mechanism of the Project is summarized as follows:

- Foreign Aided Projects Audit Directorate (FAPAD) of C&AG is responsible for audit of the projects financed by foreign development partners.   Therefore, this Project will be audited by FAPAD as well.

- At Upazila level, Upazila Parishad Development Fund (development account of Upazila Parishad) consists of 1) remaining of revenue fund from the last fiscal year, 2) Annual Development Program allocated by the Central Government, and 3) the Project Fund.   This Fund will be audited annually by private auditing firms employed by the Project.   Investment in infrastructure (i.e., road, culvert, water facility, etc.) will be physically examined by the auditors.   If the project fund is used to procure some goods or capacity development activities, the auditor will examine the asset registry of the Upazila Parishad.

- Undergoing financial audit (and environmental audit) will be mandatory to all Upazila Parishads that receive the Project funds.   Performance assessment will be conducted for all Upazila Parishads either by the audit firms or by other research institutions in Bangladesh.   The audit report will be provided to the Upazila Parishad and LGD, and under LGD's guidance, Project Management Unit (PMU) will review the report within six months after closure of the fiscal year.   If the report finds some of expenditure of an Upazila Parishad is irregular, PMU will take necessary action including temporary suspension of the additional financial support to the Upazila Parishad.

- The scope of the audit will be 1) examination of books of accounts, registers, cash transactions, record of bank transactions, asset registers, 2) physical examination of infrastructure and goods procured, 3) provision of a report with an opinion on the financial statements prepared by auditee Upazila to DDLG, LGD and PMU, and 4) a report on fraud or misappropriation of funds if any.

- In addition to financial/compliance audit, PMU will monitor governance performance through performance assessment and environmental and social considerations in the implementation of subprojects.

- Audit reports will be reviewed separately by other audit firms to assure the quality. Also, stakeholders such as the Institute of Accountants and C&AG will annually discuss the methodology to improve the quality of the annual audit under the Project.

The audit under the Project will not be substitute for C&AG audit. The audit under the Project covers only development account. However, the Project will maintain close coordination with C&AG, which will conduct its own audit of Upazila Parishads as it is mandated to report to the Parliament.

CHAPTER 6   FEASIBILITY OF THE PROJECT

6.1.   Cost Estimation

The estimated project cost hereinafter is calculated with the assumptions conditioned as of January 2015.

The basic conditions and assumptions employed for the project cost estimate are as follows:

(i)   Prices as of January 2015 are referred to.

(ii)   Following exchange rates are applied for the cost estimate.
         USD 1.0 = BDT 77.5 = JPY 119 (as of January 2015)

(iii)   Unit prices of facilities are collected from NBDs and contractors.

(iv)   Project costs are divided into foreign currency portion (F/C) and local currency portion (L/C).   Ratios of F/C and L/C are estimated by referring to similar types of projects in Bangladesh.

(v)   Price escalation rates are assumed to be 2.0% per annum for F/C and 4.9% per annum for L/C.

(vi)   Physical contingency is 5.0% for direct costs and 5.0% for consulting services.

(vii)   Taxes are 15% for value added tax (VAT) and 30% for import tax according to government regulation.

(viii)   Project administrative cost, consisting of PMU staffing and goods and equipment for PMU, is 1.5% of the project cost.

(ix)   Interest during construction is 0.01% for works and consulting services of the accumulated loan portion.

(x)   Front-end fee is not incurred.

(xi)   The project costs are categorized into F/C portion and L/C portion as follows:
         F/C portion:
         • Foreign currency portion of the consulting services
         L/C portion:
         • Additional distribution of Upazila ADP
         • Capacity building of LGIs
         • Social mobilization through Upazila Parishad and Union Parishad
         • Project management including audit
         • Project administration
         • Local currency portion of the consulting services
         • Taxes, duties, and front-end fee

6.1.1.   Summary of Project Cost

The total project cost is estimated at JPY 17,217 million (equivalent to BDT 11,180 million) consisting of JPY 340 million (equivalent to BDT 221 million) for the F/C portion and BDT 10,959 million for the L/C portion.   The costs to be incurred during implementation of the Project are summarized in Table 6.1.1.

Table 6.1.1   Summary of Project Cost

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
(1)	Component 1: Upazila development for improving service delivery	0	6,003	9,244	6,003
(2)	Component 2: Capacity development and governance improvement	0	835	1,285	835
(3)	Component 3: Project management support	0	213	328	213
Subtotal of Items (1) - (3)		0	7,050	10,857	7,050
(4)	Price Escalation	0	1,533	2,361	1,533
(5)	Physical Contingencies	0	429	661	429

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
	Subtotal of Items (1) - (5)	0	9,012	13,879	9,012
(6)	Component 4: Consulting services (including contingency and price escalation)	336	332	846	549
	Subtotal of Items (1) - (6) (Eligible Cost)	336	9,344	14,725	9,562
(7)	Administrative and other costs (including Land acquisition and Taxes)	0	1,615	2,487	1,615
(8)	Interest during construction period	4	0	4	3
(9)	Front-end fee	0	0	0	0
	Subtotal of Items (7) - (9) (Non-eligible Cost)	4	1,615	2,492	1,618
	Grand Total	340	10,959	17,217	11,180

Source: JICA Study Team

The eligible portion of the yen loan is estimated at JPY 14,725 million (equivalent to BDT 9,562 million), which accounts for 85.5% of the total project cost. The balance, JPY 2,492 million (equivalent to BDT 1,618 million), is the non-eligible portion of the yen loan.

6.1.2. Base Cost of Each Component

(1) Component 1: Upazila Development for Improving Service Delivery

The cost of Upazila development for improving service delivery is additional ADPs to be distributed to target Upazilas as the procedure mentioned in Sections 5.2 to 5.6. This component consists of 5 rounds and the cost of each round are shown in Appendix 3.1 and tabulated below.

Table 6.1.2   Summary of Cost for Component 1

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
1.1	Fiscal transfer round 1 (1st year)	0	405	624	405
1.2	Fiscal transfer round 2 (2nd year)	0	806	1,241	806
1.3	Fiscal transfer round 3 (3rd year)	0	1,209	1,862	1,209
1.4	Fiscal transfer round 4 (4th year)	0	1,612	2,482	1,612
1.5	Fiscal transfer round 5 (5th year)	0	1,971	3,035	1,971
	Total	0	6,003	9,244	6,003

Source: JICA Study Team

(2) Component 2: Capacity Development and Governance Improvement

This component is divided into 3 contents, namely a program of capacity development for Upazilas, Upazila governance improvement action program, and institutional reform of Upazila. Activities of capacity development for Upazilas and Upazila governance improvement action program will continue for the whole project period. Institutional reform of Upazila is implemented by Upazila Development Facilitators. The cost of Component 2 is detailed in Appendix 3.2 and summarized in Table 6.1.3.

Table 6.1.3   Summary of Cost for Component 2

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
2.1	Capacity development for Upazilas	0	229	353	229
2.2	Upazila governance improvement action program	0	605	932	605
2.3	Institutional reform of Upazila	0	0.1	0.2	0.1
	Total	0	835	1,285	835

Source: JICA Study Team

(3)   Component 3: Project Management Support

The project management support includes the baseline survey, annual audit for target Upazilas, and the collection of PBA indicators.   The audit activities are also scheduled to be expanded year by year as described in Section 5.13.   The cost of this component is shown in Appendix 3.3 and summarized in Table 6.1.4.

Table 6.1.4   Summary of Cost for Component 3

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
3.1	Baseline Survey and Engineering Support	0	17	26	17
3.2	Annual Audit	0	34	52	34
3.3	PBA Indicator Collection	0	162	250	162
Total		0	213	328	213

Source: JICA Study Team

(4)   Component 4: Consulting Services

The cost for the consulting services is detailed in Appendix 3.4 estimated based on the draft schedules and terms of reference (ToR) of consulting services shown in Appendices 3.5 and 3.6, respectively, which consists of remuneration for international and national experts and direct costs such as transportation, communication, office operational cost, office furniture and equipment, and report preparation.   The estimated cost is summarized in Table 6.1.5.

Table 6.1.5   Summary of Cost for Component 4

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
(1)	Base cost	299	267	710	461
(2)	Price escalation	21	49	96	62
(3)	Contingency	16	16	40	26
Total		336	332	846	549

Source: JICA Study Team

(5)   Administrative Cost and Other Cost

The non-eligible cost of this yen loan project shall be funded by GoB.   This portion includes administrative cost, taxes and duties, interest during construction, and front-end fee.   The cost of PMU administration is estimated as shown in Appendix 3.7 and the summary is tabulated below.

Table 6.1.6   Summary of Administrative Cost and Other Cost

No.	Item	F/C (JPY million)	L/C (BDT million)	Total in F/C (JPY million)	Total in L/C (BDT million)
(1)	Administration cost	0	139	214	139
(2)	Land acquisition	0	124	192	124
(3)	Tax and duty	0	1,352	2,082	1,352
(4)	Interest during construction	4	0	4	3
(5)	Front-end fee	0	0	0	0
Total		4	1,615	2,492	1,618

Source: JICA Study Team

6.1.3.   Disbursement Schedule

The annual disbursement schedule is prepared in accordance with the project implementation schedule. A detailed disbursement schedule is given in Appendix 3.8 and summarized in Table 6.1.7.

Table 6.1.7 Summary of Annual Disbursement Schedule

Year	F/C (JPY million)	L/C (BDT million)	Total Cost (JPY million)	Total Cost (BDT million)
2015	0	25	38	25
2016	52	433	718	466
2017	66	1,177	1,878	1,220
2018	58	1,816	2,856	1,855
2019	59	2,486	3,887	2,524
2020	61	3,197	4,984	3,236
2021	44	1,825	2,854	1,854
Total	340	10,959	17,217	11,180

Source: JICA Study Team

6.2. Consulting Services

The terms of reference for consulting services are described in Appendix 3.6 and briefly summarized below.

(1) Objectives

The objective of the consulting services is to achieve the efficient and proper preparation and implementation of the Project through the following works.

(2) Works

(i) Preparing the plan of overall project implementation

(ii) Preparing all annual work plan

(iii) Monitoring and supervising project implementation including procurement

(iv) Supporting preparation of disbursement projections

(v) Collecting supporting documents on expenditures from target Upazila Parishad

(vi) Preparation to carry out all the disbursement-related administrative operation

(vii) Supporting project activities to ensure compliance with regulation of Bangladesh and agreement between GoB and JICA

(viii) Supporting to monitor environmental safeguard relevant to Subprojects

(ix) Preparing indicators to assist assessment of Upazilas' performance on governance

(x) Assisting evaluation of proposal submitted from Upazilas to PMU

(xi) Supervising activities of Upazila Development Facilitators

6.3. Equipment

In order to ensure smooth implementation of the Project, equipment must be prepared with proper quality and quantity through the adequate procurement process on suitable time. The equipment procured by the Project is divided into 3 categories according to its objectives, namely (i) for UDFs activities, (ii) for office set-up and activities of PMU, and (iii) for consulting services. A list of the equipment is attached as Appendix 3.9.

6.4. Procurement

The procurement relevant to sub-projects under Component 1 is planned and conducted by the recipient Upazilas using additional budget financed by the Project. Meanwhile, PMU itself conducts the procurement of Component 2 and consulting services of Component 4. On the other hand, subcontracts of surveyor for the baseline survey, engineering support and audit will be managed by PMU with assistance of the consultant team under Component 3.

The procurement method is principally based on "Public Procurement Act 2006 (PPA)" and "Public Procurement Rule 2008 (PPR)," prepared by the Central Procurement Technical Unit (CPTU), Ministry of Planning, GoB. Detailed rules and procedures to be followed by procuring entities, namely LGD, PMU, and recipient Upazilas, are written in PPR. In addition, the process of procurement conducted by Upazilas is monitored and evaluated by PMU of the Project and the result of evaluation is reflected in PBA as mentioned in Section 5.4.

(1) Procurement Method

According to PPA and PPR, procurement methods are divided into two categories, namely, National Competitive Procurement (NCP) and International Competitive Procurement (ICP). While there are no price threshold between NCP and ICP, the latter is applicable only when it is not feasible or reasonable for the procuring entities to conduct procurement by inviting competitive tenders within the country. In case of Component 1 of the Project, recipient Upazilas should not apply ICP for the procurement of works because the available budget is less than BDT 10 million and domestic contractors have enough experience of tenders with a similar amount. As for procurement of goods and services, recipient Upazilas can apply ICP for specialized equipment, e.g., medical facilities which are not available from domestic venders. The procedures of ICP, however, are further complicated than NCP and may be difficult for Upazilas to carry out, according to an interview with CPTU. Consequently NCP is the advisable method for procurement to be implemented by Upazilas.

As for Component 3, PMU procures computers and motorcycles for Upazila Development Facilitators and goods necessary for setting up PMU office.

(2) Tendering Method

(a) Tendering for Goods, Works and Related Services

The government of Bangladesh basically recommends Open Tendering Method (OTM) for any tenders of goods, works and related services. The procedure of OTM is shown in Appendix 3.10. Other tendering methods, however, may be applied under the specific circumstances as shown in the following table.

Table 6.4.1   Applicable Conditions of Tendering Methods for Goods, Works and Services

Tendering Method	Descriptions	Price Threshold (BDT million)
Open Tendering Method (OTM)	Preferable for any condition	Any price
Limited Tendering Method (LTM)	- Goods, works, or services are available only from limited number of suppliers or contractors - In order to reduce stock requirements of spare parts and maintenance costs, if there is an established government policy regarding standardization of a brand - The time and cost required to receive and evaluate a large number of tenders would be disproportionate when compared to the value of the contract	- Maximum BDT 1.5 million for goods and related services - Maximum BDT 3 million for works and physical services
Direct Procurement Method (DPM)	- A sole tenderer is available for the supply or provision of the goods and works for technical reasons - When the project purpose is poverty alleviation by providing direct contract with the local community - Subject to prescribed conditions for additional supply of goods or additional work by original suppliers or contractors	Maximum BDT 2 million in each procurement up to annual aggregate amount of BDT 3 million

Tendering Method	Descriptions	Price Threshold (BDT million)
	- Goods are procured under exceptionally advantageous conditions, such as the latest production, perishable commodities, essential goods determined the price by government - Unless the government otherwise decides, when goods are procured in special cases from a government-owned industry of factory using government's fund - When procurement of goods, works, and services are urgently required with the amount as prescribed	
Two-stage Tendering Method	- It is not feasible on the part of the procuring entity to prepare complete technical specifications at the outset of procurement process for large and complex projects. - Turnkey contract - When the goods are available in a rapidly evolving industry.	Any price
Request for Quotation Method (RFQ)	To be applied subject to the prescribed price limit - Low value goods or services off-the-shelf readily available in the market - Urgently required for maintenance - Emergency repairs for public sector utilities - Goods required for processing and production plants at state-owned industries.	Goods and related services: - Maximum BDT 0.2 million in each procurement up to annual aggregate amount of BDT 0.3 million Works and physical services: - Maximum BDT 0.3 million in each procurement up to annual aggregate amount of BDT 1 million

Sources: CPTU, Public Procurement Act 2006, and CPTU, Public Procurement Rules 2008

The recipient Upazilas must choose adequate one of those tendering methods for each package of tender when they establish a procurement plan for the sub-projects financed by the Project.

(b)   Tendering for Intellectual and Professional Services

On the other hand, the procurement of intellectual and professional services including consulting services is conducted by the methods summarized in the table below.

Table 6.4.2   Applicable Conditions of Tendering Methods for Intellectual and Professional Services

Tendering Method	Descriptions	Price Threshold (BDT million)
Quality & Cost Based Selection (QCBS)	The selection method of consultant through a competitive process among short-listed consultants considering the quality and the probable cost of the services judiciously. Preferable method in most cases, and take into account: - quality of the professionals - cost of the services	Any price
Selection under a Fixed Budget (SFB)	The selection method of consultant for simple and specified nature of services considering the budget allocation as stated in the document of request for proposal. Preferable and appropriate only when: - assignment is relatively simple - assignment can be precisely defined - budget is fixed	Any price
Least Cost Selection (LCS)	Applicable for the selection of consultants for an assignment of a standard or routine nature such as audits, architectural and engineering designs of non-complex works, where established practices	Maximum BDT 5 million

Tendering Method	Descriptions	Price Threshold (BDT million)
	and standard exist	
Selection Based on Consultant's Qualifications (SBCQ)	Assignment is very small and full-fledged selection process would be not justified. - brief evaluation studies - executive assessment of strategic plans - high level, short-term legal expertise - participation in project review expert panels	Any price
Selection amongst Community Service Organizations (CSOs)	Services from short-listing reputable organization that are well qualified to assist in the preparation, management, and implementation of community development projects or programs - NGOs - other community service organizations - voluntary NPOs	Any price
Single Source Selection (SSS)	Applicable in special cases, e.g.: - rapid selection is essential - very small assignments within the threshold - one firm or an individual is qualified - extension of consulting services with satisfied result of original contract - etc.	- Maximum BDT 1 million for consulting firms - Maximum BDT 500 thousand for individual consultant
Design Contest (DC)	The technical excellence and innovation are of prime considerations in the selection of the successful applicant	Any price

Source: CPTU, Public Procurement Rules 2008

As described later in Section (4) (c), SBCQ shall be adopted so that the quality is top priority for consulting services. The procedure of SBCQ is shown in Appendix 3.11.

(3) Pre-qualification

According to PPA and PPR, a procuring entity may undertake pre-qualification for large and complex procurement based on the circumstance as below.

Table 6.4.3 Pre-qualification Thresholds for Procurement

Items	Price Threshold (BDT million)[*]
Construction work	350
Maintenance work	35
Supply and installation of plant and equipment	150
Design and build infrastructure	350
Custom designed equipment	35
Management contractors	350

[*] If the procurement price is more than the threshold as indicated, procuring entity should undertake pre-qualification.
Source: CPTU, Public Procurement Rules 2008

As mentioned in Section 5.4, each recipient Upazila is additionally financed with about BDT 5 million annually by the Project. Therefore it is not necessary for the recipient Upazilas to conduct pre-qualification for the procurement of sub-projects. Meanwhile, PMU may undertake a pre-qualification for the procurement of consulting services whose cost is estimated at BDT 549 million as shown in Table 6.1.5 above.

(4) Procurement Procedure

(a) Component 1

The Project finances development budget of each recipient Upazila ranging from BDT 5 to 7 million annually. The recipient Upazilas can conduct procurement within this budget. The basic procedures

tendered by OTM is described in Appendix 3.10 and briefly mentioned below.

(i) Identification of subprojects and equipment to be procured by the Project budget under appropriate process (refer to Section 5.6)

(ii) Preparation of proposal document of subprojects and equipment

(iii) Submission of the proposal to PMU

(iv) Preparation of procurement plan for subprojects and equipment including procurement method and schedule after approval of proposal

(v) Conduction of advertisement and request for expression of interest

(vi) Sale of the tender documents to all tenderers interested in the tender

(vii) Holding pre-tender meeting, if necessary to explain extra conditions

(viii) Submission of tender documents from tenderers to procuring entity

(ix) Opening tender at tender opening committee in the presence of all interested tenderers or their representatives

(x) Holding tender evaluation committee (TEC) to examine and evaluate tenders

(xi) Conduction of post-qualification by TEC based on the criteria specified in the tender documents

(xii) Preparation of the evaluation reports by TEC

(xiii) Submission of the evaluation reports from TEC to the approval authority

(xiv) Reviewing the evaluation reports and approving the award recommendation by the approving authority

(xv) Submission of the evaluation reports from TEC to procuring entity after the approval process of (xiv)

(xvi) Issuing the notification of award from procuring entity to successful tenderer

(xvii) Signing contract between procuring entity and successful tenderer

(b) Component 2

Procurement related to Component 2 is conducted by PMU. The equipment to be prepared in this component is provided to UDFs. A detailed list of the equipment is shown as follows.

Table 6.4.4 List of Equipment to Be Procured under Component 2

Item	Quantity (Nos.)	Unit Price* (BDT)	Amount (BDT)	Recommended Procurement Method
Motorcycle	200	114,000	22,800,000	
Laptop PC	200	40,000	8,000,000	
Security Software	900	4,000	3,600,000	NCP / OTM
Microsoft Office	200	17,000	3,400,000	
Digital Camera	200	35,000	7,000,000	
Mobile Internet Modem	200	114,000	400,000	

* Unit prices are average of quotations collected from 4 companies/shops in Dhaka in the period from September to December 2014.
Source: JICA Study Team

According to PPR, the procurement shall be conducted by OTM within the country because the items with such quantity are available in Bangladesh and the amounts of each lot are more than BDT 3 million (refer to Table 6.4.1).   In order to ensure punctual delivery, PMU shall start the procurement procedure at some appropriate time. The processes of procurement are basically the same as that explained in previous sub clause (a).

(c) Component 4

Experienced consultants are required to ensure efficient and proper preparation and implementation of the Project.   As mentioned in Section 5.1, timely and punctual actions, such as submission of proposals, evaluation of proposals, fiscal transfer, and audit, are required in order to carry out the project procedures as planned.   In addition, development projects funded by foreign or international donors need complex financial processes.   Therefore, the selection of consultants shall be conducted mainly based on the aspect of quality.   Moreover, their terms of reference (TOR) are not simple and it is difficult to define their assignment precisely in advance of tender.   In conclusion, the Quality Based Selection (QBS) method, similar to SBCQ method, shall be adopted by the Project.

The procedure of the QBS method explained in PPR is drawn in Appendix 3.11 and briefly described as below.

- (i)   Advertisement of request for expression of interest (EOI) from a procuring entity
- (ii)   Submission of EOI from applicants to the procuring entity
- (iii)   Opening of EOI at the proposal opening committee (POC)
- (iv)   Sending EOI and the opening record from POC to the proposal evaluation committee (PEC)
- (v)   Assessment of EOI at PEC
- (vi)   Preparation of the assessment report including short-list of applicants by PEC
- (vii) Submission of the assessment report from PEC to the head of procuring entity (HOPE)
- (viii) Approval of the report and the short-list by HOPE
- (ix)   Preparation of TOR of consulting services by the procuring entity
- (x)   Preparation and issue of a request for proposal document by the procuring entity
- (xi)   Submission of the proposal document from applicants to the procuring entity
- (xii) Opening of technical proposal at POC without opening of financial proposal
- (xiii) Sending technical proposals and opening record from POC to PEC
- (xiv) Evaluation of technical proposal and financial proposal at PEC
- (xv)   Negotiation between PEC and the successful applicant given the highest score
- (xvi) Submission of the evaluation report along with PEC's recommendations and the minutes of the completed negotiations from PEC to the approving authority
- (xvii) Approval of the evaluation report and communication of the decision of the approving authority to HOPE
- (xviii) Signing of contract by the procuring entity and the successful consultant
- (xix) Informing the result to the other unsuccessful applicants
- (xx)   Publishing the name of the consultant who is awarded the contract on the web site of the procuring entity

6.5.   Cost Comparison with Other Projects

As mentioned in Section 3.5, there are several development projects in the local governance sector, funded by international organizations.   In order to verify the economical feasibility of the Project, the total cost and the related information of the Project, LGSP-II funded by the World Bank, and UZGP funded by UNDP are compared as in the following table.

Table 6.5.1   Project Costs of the Project, LGSP II, and UZGP

Item	The Project	LGSP II	UZGP
Development Partner	JICA	World Bank	UNDP
Project Cost	JPY 17,217 million (USD144.7 million)	USD 545.4 million	USD 19.3 million

Item	The Project	LGSP II	UZGP
Project Term	2015-2021	2011-2016	2011-2016
Main Activity	- Providing Additional ADP to Upazilas with performance based allocation - Providing training for capacity development of LGIs - Dispatching additional personnel to selected Upazila to improve Upazila's action program	- Providing performance-based direct block grants to UPs for improving local services, accountability and performance - Providing technical assistance for building the capacities of UPs and strengthening key central agencies to make policy and manage the local government system effectively	- Preparing guidelines, manuals and systems for effective and efficient Upazila operation - Providing training courses and workshops based on these materials for the Upazila representatives, NBD officers, employees and citizens
Procurement Method	PPA and PPR	"Guidelines: Procurement Under IBRD Loans and IDA Credits" by WB	Project Procurement: UN standard procedure (UN Procurement Manual) Procurement by Upazila: PPA and PPR
Tendering Method	(1) Goods: - NCP with OTM is principle - RFQ is exceptionally applicable as far as complying with PPR (2) International consultants: - ICP with QBS (3) National consultants: - NCP with QBS	(1) Goods: - OTM with NCP is main measure - RFQ is applicable to the procurement of small amount - Only vehicles are procured by OTM with ICP (2) Consultants: - Selection of Individual Consultant	(1) Goods*: - OTM with NCP is main measure (2) Consultants*: - Selection of Individual Consultant with competitive bidding
Consulting Services	- International consultant: No. of experts: 4 Man-month: 99 - National consultant No. of experts: 8 Man-month: 404	- International Consultant: No. of experts: 2 Man-month: 27 - National Consultant: No. of experts: 19 Man-month: 1,068	- International Consultant: No. of expert: 1 Man-month: 12 - National Consultant: No. of experts: 26 Man-month: 1,500

* GoB follows PPR for their part

Sources: UNDP, Joint Programme Document of UZGP, 2011
The World Bank, Project Appraisal Document for a Second Local Governance Support Project, 2011
Interview survey with UNDP officer in Bangladesh conducted by the JICA Study Team

6.6. Operational and Effects Indicators

JICA requests the executing agency of Japanese yen loan to prepare operational and effects indicators to facilitate the monitoring and evaluation of the project. In July 2014, JICA updated the *Reference of Operational and Effects Indicators*.

An "operational indicator" is an index that measures the operation status of the Project quantitatively. An "effects indicator" is an index for quantitatively measuring the effects caused by the project. For instance, if equipment and facilities (output) have been installed by the project, operational indicators show whether the output is properly operated and used, whereas effects indicators measure how the output influenced the beneficiaries or target area.

The above JICA Reference refers only to output of infrastructure projects. However, the objective of the Project is to enhance the capacity of Upazilas to deliver effective public services to citizens by providing capacity development programs and fiscal transfer to Upazilas, thereby contributing to reinforcing local government. To achieve this objective, the Project has four components. Among the four components, Component 1: Upazila Development for Improving Service Delivery, and Component 2: Capacity Development and Governance Improvement will be evaluated using operational and effects indicators agreed by LGD and JICA.

Table 6.6.1 shows an evaluation framework proposed for the Project. Subsector-wise operation and effects indicators are listed in this table.

Table 6.6.1   Operational and Effects Indicators

Part	Sub-sector	Operational Indicators	Effects Indicators
Component 1: Upazila Development for Improving Service Delivery	Rural Roads (Upazila Road, Union Road, Village Road) and Drainage	- Length of roads that are rehabilitated (increase) - Length of bridges and number of culverts in Upazila that are constructed (increase) - Average traffic per day (X vehicles /day) (increase)	- Average traffic per day (same as left) - Reduction in travel time (in minutes in peak time, if possible)
	Educational and medical facilities, and government building	- Number of Upazila facilities (educational, medical and government buildings) that are constructed / rehabilitated (increase)	- Number of pupils in the educational facility (increase) - Number of outpatients of the medical facility (increase)(yearly)
	Educational equipment	- Number of classrooms with usable equipment (tables and chairs for pupils, blackboard) (increase)	
	Medical equipment	- Rate of bed per patient or medical equipment per necessary patients (increase)	
	Water supply and sanitation equipment	- Population that has access to safe drinking water (increase) - Number of public facilities that have adequate sanitation facilities (increase)	- Fatality count caused by infectious disease (reduce)
	Agriculture	- Number of improved agriculture facilities rehabilitated/ constructed (increase) - Number of farmers who have access to shared agricultural facilities (processing and transport) (increase)	- Usage of the developed facility (increase)
	Disaster prevention	- Time to access nearby cyclone shelter (decrease) - Number of participants of disaster and relief-work (increase)	- Fatality count caused by large disasters (reduce)
	Demand based training, studies, and other activities	- Number of Upazila officials and other stakeholders who joined demand-driven training activities (increase) - Training related to Women Development Forum (increase)	Same as Component 2
Component 2: Capacity Development and Governance Improvement	Institutional capacity according to Upazila Parishad Act 1998 (rev 2009, 2011)	- Number of Standing Committees that have been properly held and recorded (increase)	
	Financial management	- Number of Development Budget and Investment plans that are prepared during the preparation for the next financial year	
	Development planning and budgeting	- Number of Upazilas that have 5-year development plan covering priority sectors (increase)	
	Transparency and accountability	- Number of Upazilas where Union Development Coordination Committee meetings have been held in respective Union Parishad with proper attendance	

		from NBD officers (increase)	
	People's assessment on Upazila's service delivery		- Residents' recognition of Upazila Parishad's ability of service delivery (increase)
			- Residents' satisfaction with Upazila's service delivery (increase)

CHAPTER 7   RECOMMENDATIONS

7.1.   Policy Recommendations on Local Governance

7.1.1.   Issues and Recommendations for Local Government Division

The JICA Study Team identified several critical issues that are hindering Upazila Parishads and related LGIs from effectively performing and delivering services to communities.   LGD is recommended to take following reform actions in next five years to address these issues in order to remove obstacles and provide a sound environment for Upazila Parishads.   The recommendations concern in four governance areas: Institutional Arrangement, Human Resource and Capacity Development, Financial Management, and Accountability and Transparency.   Suggested timelines and outputs of the recommended actions are summarized in Table 7.1.1.

(1)   Institutional Arrangement

1)   *Revise the Upazila Parishad Act, clarifying the roles and functions of LGIs and the interlinkages among them.   Streamline LGIs' revenue collections*

There is incompatibility between the Union Parishad Act and the Upazila Parishad Act.   Overlap in both functions and revenues across Union and Upazila Parishads is one of these issues.   For example, Upazila functions in the Upazila Parishad Act, Schedule 3, only provides a broad definition of tasks that Upazila Parishads must undertake, which includes functions of Unions that are stipulated in the Union Parishad Act.   Divisions of roles and functions for each level of the local government should be clarified and the coordination and interlinkage among Zila, Upazila and Union levels in terms of service delivery and development work (preparation, implementation, reporting, monitoring and evaluation) should be clearly stated in the Upazila Parishad Act.

Likewise, some of the sources of revenue stipulated in the Upazila Parishad Act, Schedule 2, overlap with those of Unions and Pourashavas, which is hindering the Upazila Parishads' ability to raise their own revenue.   Limited own resources usable for service delivery and development activities and dependency on the central government undermines Upazila Parishads' significance.   Making a clear policy on LGIs tax collection is necessary for Upazila Parishads and other LGIs for better performances and service delivery.

2)   *Restructure LGD Sections*

In the current LGD organizational structure, the Upazila Wing belongs to the Administrative Section while the Union Wing is positioned under the Additional Secretary's Section.   It is recommended that the Upazila Wing and Union Wing should be put under the same section, considering interlinkage of both LGIs operations and related policies.

3)   *Review the organogram of Upazila Parishad and refine powers and functions of Upazila stakeholders*

In order to ensure democratic decision-making in Upazila Parishads, the structure, powers and functions of the Upazila Parishad should be revisited.   In the current system, the Upazila Chairperson is prescribed as both legislative (Upazila Parishad) and executive (Upazila government) head, and given great authority in Upazila government operation.   It is important to establish a system of checks and balances for the Upazila Chairperson's powers and functions.   In addition, only one major function, leading the standing committees, is allocated to the Vice Chairpersons in the Upazila Parishad Act.   Terms of reference for the Vice Chairpersons need to be reviewed in order to effectively utilize human resources at Upazila Parishads.   Another issue is concerning women representatives to be elected from the women representatives of Union Parishads.   The elections should be held in order to provide a more gender-balanced decision-making framework at Upazila Parishads.   Last but not least, the Act gives MPs great power to influence Upazila Parishad operations.   The role of MPs in Upazila Parishad decision-making should be reconsidered in order for Upazila Parishads to be accountable for the people in

their jurisdiction.

4)   Fully develop Upazila Rules, Regulations and Guidelines. Develop and distribute user-friendly Upazila Parishad Operational Manual

Among the rules and guidelines mentioned in article 63 (2) of the Upazila Parishad Act 1998 (amended in 2011), several rules are yet to be finalized.   These rules include: maintenance and publications of records and documents, control and investment; accounts auditing; preparation, consolidation and implementation of the development plan; code of conduct for Parishad staff; tax-related issues; modalities of appeal against orders given by Parishads; and procurement procedures.   These should be promptly but carefully finalized and published.   In addition, the current Upazila Parishad Operation Manual is just a collection of all Upazila related acts, rules, regulations, and memorandums that are issued in the last several years. A more user-friendly Operation Manual should be created and distributed to Upazila Parishads.   Also, the Manual should be updated from time to time.

5)   Strengthen Upazila Parishad monitoring system. Especially, develop capacity of MIE Section

Monitoring Upazila Parishads and giving proper feedback is crucial in order to ensure good service delivery to the communities as well as to improve Upazila Parishads' performance.   All functions of Upazila Parishads, including service delivery, development activities, financial management, human resource management and law-and-order aspects, should be covered by monitoring.   However, only limited financial matters such as budget allocation, ADP project implementation, and administrative approvals are currently monitored.   Moreover, results are not consolidated or analyzed, and no feedback is given.   Establishing a more systematic monitoring system for Upazila Parishads, clarifying the responsibilities of each section/wing concerning Upazila Parishad monitoring in LGD, is necessary.   In addition, capacitating the MIE Wing by securing more human resources, providing training of officers and securing adequate budget for periodic field monitoring, data collection and analysis is necessary.

(2)   Human Resource and Capacity Development

6)   Secure essential human resources for Upazila Parishad

The field study revealed that UNOs stay at their assigned Upazila Parishad for a relatively short period: many are transferred within two years.   This is not enough time for UNOs to learn about the situation of a particular Upazila.   This term should be extended in order to be able to perform effectively at an Upazila Parishad.   In the meantime, it is widely recognized that there is much room for Upazila Parishads to improve their performance.   In particular, planning and budgeting and financial management are some of the weakest areas among their most important functions.   The new Project tries to support Upazila Parishads to address these weaknesses by hiring UDFs; however, the role of UDF has to be taken over by human resources of the Upazila Parishad, whether newly hired or appointed from among NBDs, by the time the Project is completed.   Deploying and transferring AC Land and AC Finance, who can take over the UDF role, to all Upazila Parishads could be a good solution.

7)   Develop a comprehensive Upazila Parishad human resource capacity development framework and provide training programs accordingly. Strengthen NILG and other training institutions for that purpose

The JICA Study Team found that the UZGP training courses provided to all Upazila Parishads have been very effective in terms of 1) familiarizing Upazila Parishad functionaries with related laws and regulations, 2) providing a chance for Upazila Parishad members and NBDs, including UNO, to be on the same page, and 3) facilitating consolidation among Upazila Parishad functionaries.   Combined with the effect of the training program that the new Project is preparing, Upazila Parishad performance is expected to improve.   The strategic comprehensive Upazila Parishad Human Resource Capacity Development Framework needs to be developed based on these experiences, and training programs provided accordingly.[105]   For example, UNOs generally do not stay with one Upazila Parishad very long, and

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[105]   NILG, with the assistance from SDC, developed "The Capdev Framework" for Union Parishad in 2012.   Training for the

therefore, Upazila Parishads could have a new UNO every few years, sometimes even a first-time UNO. A newly appointed UNO has very little knowledge about Upazila Parishad operations. The training to familiarize them with Upazila Parishad laws and regulations needs to be provided to newly appointed UNOs before they are dispatched to their respective Upazila Parishads. Another issue is the Upazila and Union Parishads elections. The election for the Upazila Chairperson, Vice Chairpersons, women representatives and Union Chairpersons are supposed to be held every five years. Every time new members are elected, appropriate training needs to be provided. The comprehensive training strategy should include these issues. In order to provide high quality training courses, NILG and other training institutions should be further strengthened.

8) *Give guidance for Upazila Parishads to conduct Upazila-level training courses, providing updated materials useful for this training*

Upazila Parishads should take the initiative to plan and conduct core training programs for Upazila Parishad members and transferred officers in order to improve their knowledge and technical skills concerning Upazila Parishad operations at the Upazila Level. LGD can support their efforts by providing guidance and updated materials for such training.

(3)   Financial Resource Management

9) *Improve Upazila Parishad ADP allocation system*

The average amount of ADP per Upazila Parishad is about BDT 5 to 7 million, depending on the year. Given the fact that there are 9 Unions in Upazila on average, the corresponding share for a single Union is only around BDT 600 thousands, which is not very much. After allocating all the ADP to Unions, there is no share for Upazila Parishads themselves to use for Upazila Parishad-led initiatives. Increasing ADP (discretionary funds) amounts is critical for Upazila Parishads to use for Upazila Parishad-led development activities.

The ADP allocation system could also be improved, considering PBA, the Upazila Parishads' own revenue resources, etc. Some Upazila Parishads located near a large city have considerable revenue resources from land development taxes (2%), land registration fees (1%), etc. For example, Hathazari Upazila Parishad raised BDT 15 million from land transfers and other resources, while the amount for ADP was BDT 5.4 million in 2009/10. For these richer Upazila Parishads, the significance of the ADP amount may be less than for those that have very little of their own revenue resources. In-depth analysis of independent revenue resources, as well as financial requirements of the Upazila Parishads, should be conducted and analyzed for better financial allocation of ADP to Upazila Parishads.

Furthermore, effort should be made to improve the predictability of ADP and other financial resource flows to Upazila Parishads, such as providing advance notice regarding the three-year budget ceiling of the ADP. According to LGD, the ADP has been released almost on time in recent years. This helps Upazila Parishads with efficient and timely implementation of the budget execution. Predictability of funding is very important for Upazila Parishads and other LGIs for better planning as well as efficient and timely project preparation and implementation. As the Medium Term Budgetary Framework (MTBF) is employed at the central government level, it could be applied to the LGIs.

10) *Consider altering the timing when Upazila Parishads prepare the annual plan and budget*

In the current budgeting schedule, the budget is supposed to be prepared by the end of April, approved at the Upazila Parishad meeting and submitted to the District and LGD by the end of June. However, the budget is not linked with the plan, which should include all Union implemented projects. The timing of planning and budgeting will need to be changed. If the Upazila Parishads start earlier, they will be able to combine all Union plans into one as Upazila Parishad plan and translate the plan into budget, which would make the Upazila Parishad budget more true to reality. The timing of planning and budget

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Union Parishads members and officers are provided based on this framework. Capacity development of the Upazila Parishads needs a similar framework.

preparation of Upazilas and Unions should be moved up to January in order for Upazila Parishads to have sufficient time to better plan and coordinate their respective plans and budgets.

11)   Modify the Upazila Parishad budget forms in such a way that all the activities undertaken by Upazila Parishads including aggregation of NBD programs

A large number of various development projects implemented at the Upazila level are planned and budgeted by respective NBDs at the central level.   However, Upazila Parishad Members or other NBD officers do not have much information or influence on those projects, as there is little in terms of coordination activities taking place inside the Upazila government.   Information flow, as well as the ways to aggregate the information into the Upazila Parishad's plans and budget should be explored.   The Upazila Parishad budget forms could be modified in such a way that all Upazila Parishad ADP, NBDs and donor-assisted activities and programs are included.

12)   Introduce a computer-based financial system (iBAS) to all Upazila Parishads and interlink budget and accounting

A study shows that 26% of Upazila Parishads record their accounts in the Integrated Budget and Accounting System (iBAS).[106]   Although iBAS has the name of 'integrated' budget and accounting system, the current iBAS consists of two separate modules of Budget and Accounting, with two database servers; one is in the Finance Division and the other in the C&AG office.   At the Upazila level, the budget module is not used and funds commitment and budget control are managed manually.   In order to strengthen Upazila Parishad financial management capacity, as well as to improve its transparency, iBAS should be installed for all Upazila Parishads and training for related officers should be conducted. Eventually, budget and expenditure modules should be coordinated/interlinked using iBAS.

13)   Strengthen Upazila Parishad audit system

Upazila Parishads are currently audited once in three or four years by C&AG.   It is desirable that Upazila Parishads are audited every year as mentioned in the Upazila Parishad Act.   Clear guidance on conducting the Upazila Parishad internal audit, including social audit, should be provided to Upazila Parishads.

(4)   Accountability and Transparency

14)   Establish an Upazila Parishad Act enforcement system/authority

Currently, there is no proper system to enforce Upazila Parishads to follow the Act.   It will be necessary to develop/appoint a proper system/authority to enforce proper implementation of laws and regulations so that Upazila Parishads will be accountable.   For example, similar clauses which are stated in Chapter 13 of the Union Parishad Act should be added to the Upazila Parishad Act.

15)   Promote Upazila Parishads' downward accountability

There is limited citizen involvement or downward accountability mechanism requirement for Upazila Parishads, except for the requirement of displaying the financial statements on the notice board.   In order to ensure accountability at Upazila level, information disclosure and public involvement should be promoted.   Policies can be developed for the following areas: creating Upazila Parishad websites and disclosing all development and financial related documents, holding regular UCCMs at Union level, holding regular public hearings, inviting local communities, CBOs, and NGOs to Upazila Parishad meetings, involving the public in environmental and social assessment of development projects, conducting periodic Upazila Parishad social audit, etc.

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[106]   According to Finance Division's MTBF, Section 6.2.1.
    http://www.mof.gov.bd/en/index.php?option=com_content&view=article&id=272&Itemid=1

Table 7.1.1   Upazila Parishad Sector Reform Matrix

No	Governance Area	Recommended Actions	Responsi-bility	Time Frame	Output
1		**Revise Upazila Parishad Act** • Clarify and interlink roles and functions of Union, Upazila and Zila levels • Streamline Union, Pourashava, Upazila Parishads revenue collections	LGD	by Year 3	- Revised Upazila Parishad Act. - LGIs revenue collection policy
2		**Restructure LGD sections** • Strengthen coordination between Union and Upazila Wings	LGD	by Year 5	- Restructured LGD
3	Institutional Arrangement	**Review the organogram of Upazila Parishad and refine powers and functions of Upazila stakeholders** • Set up a system of checks and balances of Chairpersons' powers • Give more significant functions to the Vice Chairpersons • Conduct election of women representatives • Reconsider MP' role on Upazila Parishad decision-making	LGD, Election Commis-sion	by Year 2	- Revised Upazila organogram - Revised functions and powers of Chair and Vice Chair persons
4		**Fully develop Upazila rules, regulations and guidelines. Develop and distribute user-friendly Upazila Parishad Operational Manual** • Develop all planned rules, regulations and guidelines • Create, distribute and update user-friendly Upazila Parishad Operational Manual	LGD	by Year 2	- Guidelines - User-friendly Upazila Parishad Operational Manual
5		**Strengthen Upazila Parishad monitoring system. Especially, develop capacity of MIE section** • Create a framework and systematically conduct Upazila Parishad operation monitoring • Consolidate the monitoring results and give feedback • Develop more capacities in MIE department, providing appropriate human resources, training and budget	LGD	by Year 4	- Streamlined MIE system in LGD - Developed capacity in MIE Wing
6	Human Resource and Capacity Development	**Secure essential Human Resources for Upazila Parishad** • Negotiate with MPA for extension of UNOs' assignment period at a Upazila Parishad • Negotiate with MPA for dispatching AC Land and AC Finance to all Upazila Parishads • Secure human resource at Upazila level who can help UNO in terms of planning	LGD, MPA, MoL	by Year 5	- LC Land and LC Finance in all Upazila Parishads - Replacement of UDF at Upazila Parishads

		and budgeting (replacement of UDF)			
7		**Develop a comprehensive Upazila Parishad Human Resources Capacity Development Framework and provide training programs based on it. Strengthen NILG and other training institutions for that purpose** • Identify a comprehensive Upazila Parishad Human Resources Capacity Development Framework with which the systematic training courses are provided to personnel of Upazila Parishad accordingly to the framework	MPA, LGD, NILG	by Year 5	- Upazila Parishad Human Resource Capacity Development Framework - Empowered NILG and other training institutions
8		**Give guidance for Upazila Parishad to conduct Upazila level training courses, providing updated materials useful for these training** • Provide guidance for Upazila Parishad internal training • Provide resource persons and materials as necessary	LGD, NILG, Upazila Parishad	by Year 2	- Policy /direction on holding regular internal training at Upazila level
9		**Improve Upazila Parishad ADP allocation system** • Increase ADP • Reflect Upazila performance and revenue collection on ADP allocation • Improve predictability of ADP flows, e.g., provide notice of the three-year ADP budget ceiling	MoF, LGD	by Year 3	- Improved ADP allocation system
10	Financial Resource Management	**Consider altering the timing when Upazila Parishads prepare the annual plan and budget** • Revise annual planning and budgeting procedure and timing so that Upazila Parishads have enough time to incorporate information of Union plans and budgets	LGD	by Year 2	- Revised policy on Upazila Parishad planning and budget
11		**Modify the Upazila Parishad budget forms in such a way that all the activities undertaken by Upazila Parishads, including NBD programs. are aggregated** • Explore the ways to incorporate NBDs' activities and budgets into Upazila Parishads' budgets and modify Upazila Parishad budget forms correspondingly	LGD, Line Ministries and Departments	by Year 2	- Modified Upazila Parishad budget forms
12		**Introduce a Computer-based financial system to all Upazilas and interlink budget and accounting** • Negotiate with CGA to provide all Upazila Parishads with an iBAS through which budget and accounting is interlinked • Provide training for Upazila accounting officers	LGD CGA Finance Division of MoF	by Year 3	- iBAS at all Upazila Parishads - A system through which budget and accounting are linked - iBAS training courses for Upazila Parishads

No						
13		**Strengthen Upazila Parishad Audit System** • Coordinate with C&AG to conduct proper annual audits	LGD, C&AG, Upazila Parishad	by Year 3	- Annual Upazila Parishad Audit	
14		**Establish an Upazila Parishad Act enforcement system/ authority**	MLGRD &C, LGD	by Year 5	- Upazila Parishad Act enforcement system/authority	
15	Accountability and Transparency	**Promote Upazila Parishads' downward accountability** • Instruct all Upazila Parishads to develop their webpages • Provide thorough instruction to Upazila Parishads to disclose information on both the notice board and webpage • Promote citizen/community involvement in Upazila Parishad operation	LGD, C&AG, Upazila Parishad	by Year 2	- Clear policy on Upazila Parishads downward accountability	

Source: Created by the JICA Study Team

7.1.2.   Upazila Parishad Governance Improvement Actions

Upazila Parishads themselves need to undertake a series of governance and financial improvement actions in order to realize efficient and effective development-related activities and service delivery. These actions, shown in Table 7.1.2 below, are directly related to the governance performance indicators, which will be used for the basis of Performance-Based Allocation (PBA) of financial assistance in the new Project. The Upazila Governance Improvement Actions will be assisted by the Upazila Development Facilitators (UDFs).

Table 7.1.2   Upazila Governance Improvement Actions

No	Governance Area	Sub-Area	Particulars	Actions
1	Administration/ Operation	Upazila Parishad Meeting	Upazila Parishad Meetings	Hold regular meetings.
2			Resolution	Prepare, circulate and submit the meeting resolutions.
3			Participation	Ensure participation of concerned parties, including Upazila Parishad members, NBDs, etc.
4			Decision Making	Respect decisions made in the Upazila Parishad meetings.
5		Standing Committees	Formation	Form and activate 17 Standing Committees.
6			Functioning	Conduct regular bi-monthly Standing Committee meetings. Gradually replace roles of departmental (NBD)-based committees to Standing Committees.
7				Share outcomes from the Standing Committee meetings at the Upazila Parishad meetings.
8		Service Delivery		Raise awareness in the Upazila Parishad concerning the services the community expects, and provide community-centered service delivery.
9		Development Planning	Upazila Parishad Five-Year Plan	Collect necessary information to create the Five-Year Plan.
10				Input Standing Committees information/suggestions to the Five-Year plan.
11				Create first Upazila Parishad Five-Year Plan.
12				Periodically review Five-Year Plan.

13				Share the Plan with related institutions and communities.
14			Project Selection Committee (PSC)	Form and activate PSC.
15				Consider selecting Upazila Parishad Projects (those that cover more than one UP) into the plan.
16				Create a project priority list and submit it to Upazila Parishad by the deadline.
17			Annual Plan	Incorporate Standing Committees' suggestions in the annual plan.
18				Consider including NBDs programs/activities into the annual plan.
19				Hold a special Upazila Parishad meeting and approve the project list in accordance with the Upazila Parishad Act 1998.
20				Submit the annual plan to DDLG and LGD by deadline.
21		Budget	Preparation	Include revenues and expenditures according to clauses 35 to 38 of Upazila Parishad Act.
22				Follow proper procedures as stipulated in the Upazila Parishad Act.
23				Exceed the minimum standard, e.g., correctly use budget forms.
24			Interlinkage with the plan	Reflect contents of the annual plan in the budget.
25				Hold a special Upazila Parishad meeting and approve the budget in accordance with the Upazila Parishad Act.
26				Submit the budget to DDLG and LGD by the deadline.
27		Coordination of NBDs Activities and Programs		Consider holding a NBD coordination meeting.
28				Promote better understanding among Upazila Parishad members in NBDs' activities and programs.
29		Coordination between Upazila and Union Parishads		Coordinate development activities among Unions, suggesting inter-Union development projects, etc.
30				Monitor progress of Union ADP projects.
31				Provide appropriate technical support in planning, design, procurement and implementation of the projects.
32				Encourage Union Parishads to hold UDCCs regularly.
33	Finance	Independent Revenue Source	Revenue Fund Management	Identify and implement a strategy for forecasting revenues.
34				Secure maintenance and operation costs for Upazila Parishad operations and development projects.
35		Development Work Execution	ADP	Aim for a greater than 90% ADP utilization rate.
36			Procurement	Follow proper tender procedures as stipulated in the Upazila Parishad Act.
37				Limit PIC methods as fixed in the guidelines.
38		Preparation of the annual report	Quarterly and Annual Progress Reports	Prepare quarterly and annual progress reports, compiling all required information accurately.
39				Discuss and approve reports at the Upazila Parishad meetings.
40				Submit the reports to DDLG and LGD on time.
41		Accounting	Annual statement of	Prepare the annual statement of accounts report.
42				Discuss and approve at the Upazila Parishad meetings.

43			accounts report	Submit the report to DDLG and LGD on time.
44			Asset registration	Establish asset registration system and revise it annually.
45			Audit	Prepare for the annual audit.
46	Capacity Develop-ment	Training	External Training	Take maximum advantage of participating training chances provided by the government and development partners.
47			Internal Training	Conduct Upazila Parishad internal training sessions and workshops in order for Upazila Parishad functionaries and members and employees as well as NBDs to familiarize themselves with Upazila Parishad-related rules, regulations and guidelines, including budgeting and planning.
48				Provide opportunities to upgrade technical skills for Upazila Parishad employees and NBD officers.
49	Accountab ility and Transparen cy	Public Disclosure	Disclosure/ Anti -corruption	Disclose Upazila Parishad budgets and plans on the notice board as well as webpages and receive opinions from the community.
50				Disclose details of financial related information, including annual revenues, quarterly and annual expenditures, and project-related information on the notice board, as well as webpages.
51			Citizen Charter	Prepare and present Citizen Charter in Upazila Parishad Complex.
52		E-government	Upazila Parishad Webpage	Develop contents of the Upazila Parishad webpage, and regularly update the contents.

Source: Created by the JICA Study Team

7.1.3. Progress Made in LGSP I and II

LGD has been working on local governance sector reform, in cooperation with the development partners, in order to make progress in devolution of power to the LGIs in Bangladesh. The JICA Study Team observed the following good practices or reform initiatives under LGSP I and II:[107]

1. Increasing discretionary resources allocation and improving fiscal transfer system

    - LGSP I employed direct fund transfer from the Project to the Union Parishad Bank Account. It proved that Union Parishad is capable of implementing projects using the fund.

    - LGSP II gave a discretionary power of using 10% of the Fund to Union functionaries for facilitating the project preparation and implementation. This discretionary power has been very useful for Unions especially for getting technical assistance for procurement, accounts, data entry, preparing estimates, etc.

    - Special arrangements for unspent amount of the funds being rolled over to the next fiscal year has been made.

2. Improving predictability in amount and timing

    - LGSP II announced a three years' indicative ceiling of the block grant in advance, which helped Unions to timely prepare their development plans and budget. In addition, the basic block grant formula-based transfer is employed. In LGSP II, a formula of population and area ratio is used.

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[107] The World Bank, LGSP 2 mid-term review report, August 2014.

3. Strengthening LGI audit

- In LGSP II, regular audits of all Union Parishads by a commercial audit firm have been conducted.   Unions Parishads gradually adapted the audit culture, by keeping all necessary records.

- LGD agreed with GoB and the World Bank to establish an Audit cell within LGD under the financing agreement of LGSP II.   It is expected to streamline the audit objections and better manage audit related issues.   A circular has been issued by LGD.

4. Strengthening accountability

- In order to ensure transparency and accountability in the activities of Union Parishad, LGD issued a guideline titled "Guidelines for Information Disclosure by Union Parishad."   This guideline compliance with the provisions contained in the "Right to Information Act."

- LGSP II has provided a clear guidance through "Union Parishad Operational Manual."   In the Manual, the mechanism of public disclosure of Union Parishads operations using notice board at Union Parishad office, etc.

While the above progress has been made, certain issues still remain and further efforts are required in order to improve effectiveness and efficiency of the LGIs.   The LGSP-LIC report highlighted the following areas to be worked on:[108]

- Architecture of the decentralization system (tiers of local government);

- Development of a legal framework for the establishment and functioning of local governments;

- Clear definition of the role and functions of each level of government;

- Assignment of revenue sources to each tier of local government (both own-source revenue and fiscal transfers) commensurate with the scope of their respective assigned functions;

- Assignment of adequate human and other resources to each level of government to enable them function effectively;

- Design and deployment of a national program to develop institutional and technical capacities of local governments; and

- Assignment of clear responsibilities for driving policy and overseeing its implementation to a dedicated government agency within a clearly defined timeframe.

7.2.   Special Assistance for Project Implementation (SAPI)

7.2.1.   Background and Outline

As the Executing Agency, LGD is solely responsible to implement the Project.   It is necessary to launch the Project smoothly in order to achieve the expected output on schedule.

Based on the background, JICA recommends the Bangladesh side to utilize a type of Special Assistance Facility (SAF) of JICA.   The type of SAF for this stage of the Project is Special Assistance for Project Implementation (SAPI), which establishes a framework for providing these advisory services in a speedy and effective manner.

The outline of SAPI is as follows:

- Title: Special Assistance for Project Implementation (SAPI) for Upazila Governance and Development Project (Loan)

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[108] Multi-Partner Trust Fund Office, Consolidated Report on Activities Implemented under the Joint Program "Local Governance Support Project: Learning and Innovation Component" in Bangladesh, 2012.

- Duration: From May 2015 to March 2016 (11 months)

- Target Group: LGD, Upazila Parishads, Districts, NILG

- Targeted Organization: LGD, Upazila Parishads, Districts, NILG

7.2.2. Overall Goal

Overall goal of the Upazila Governance and Development Project is to enhance the capacity of Upazila Parishad to deliver effective public services to citizens by providing capacity development programs and fiscal transfer to Upazila Parishad, thereby contributing to reinforcing the local government structure of Bangladesh.

7.2.3. Project Purpose

The project purpose of this SAPI is to prepare for the loan operation by PMU and to facilitate the startup of the Upazila Governance and Development Project.

7.2.4. Output

The output of this SAPI is as follows:

- Documents and Formats necessary for the loan project are developed;

- All 489 Upazilas are assessed and ranked according to the preset performance indicators;

- Upazila Development Facilitators (100 as the first batch) are recruited and trained by LGD/PMU with assistance from the SAPI project; and

- Orientation and initial training for local stakeholders (at Upazila, District, and Division levels) is conducted.

7.2.5. Activity

The activity of this SAPI is as follows:

(1.1)   SAPI reviews the current ADP-related documents.

(1.2)   SAPI develops Project-specific documents (application form, check list for environmental and social considerations, check list for decision-making process, quarterly and yearly reporting formats, Request for Payment form, Request for Payment form for small budget, etc.).

(2.1)   SAPI collects data of all 489 Upazilas on the set of performance indicators through a sub-contracted survey.

(2.2)   SAPI conducts orientation training for the field surveyors and other personnel to be mobilized by the sub-contractor.

(2.3)   SAPI analyzes the data, screen out the disqualified Upazilas, ranks the remaining Upazilas according to the performance scores and select the top 100 Upazilas as the first-batch recipients.

(3.1)   SAPI prepares the TOR for the Upazila Development Facilitator (UDF).

(3.2)   SAPI supports LGD/PMU to recruit 100 UDFs.

(3.3)   SAPI develops the training curriculum and training kits for the initial training of UDFs.

(3.4)   SAPI assists LGD/PMU to procure equipment for the UDFs.

(4.1)   SAPI develops the training program and modules for local stakeholders to be involved in the loan Project.

(4.2)   SAPI provides the orientation training for some selected trainees through appropriate training

institutions.

7.2.6. Input

Japanese side inputs following resources:

<u>JICA Expert</u>

- Team Leader/Public Financial Management (1 x 8MM)

- Project Documentation (1 x 6MM)

- Capacity Development (1x 6MM)

- Performance Assessment (1 x 8MM)

- Human Resource Management and Monitoring (1 x 6MM)

- Environment and Social Consideration (1 x 2MM)

<u>Local Staff</u>

- Coordinator

- Secretary

- Technical staff
  - Public Finance (1 x 10MM)
  - Documentation (1 x 10MM)
  - Infrastructure (1 x 8 MM)
  - Training (1 x 8MM)
  - Environment (1 x 6MM)
  - Data Analysis (1 x 8MM)
  - Upazila performance survey through sub-contract
  - Equipment for smooth operation of project activities such as vehicles, projectors, recording devices, etc.

Bangladesh side inputs as follows:

<u>Counterpart</u>

- PMU Members at the central level

<u>Project Office</u>

- At LGD or some appropriate location

<u>Others</u>

- Cost for salary, traveling allowance, transportation, and accommodation of the public servants who are involved

Appendix 1. Result of Questionnaire Survey of 25 Upazilas

Appendix 1   Result of Questionnaire Survey of 25 Upazilas

A1.1 Profile of 25 Upazilas

The Table A1.1 shows the profiles of 25 Upazilas.

Table A1.1 Outline of 25 Upazilas

No	Division	District	Upazila	Union	Area (sq.km)	Population (2011)	Sample Size	Criteria/ Characteristic
1	Dhaka	Gazipur	Sreepur	16	462.9	492,792	33	Urban
2		Faridpur	Boalmari	11	271.7	256,658	32	Remote
3			Alfadanga	6	127.9	108,302	32	Remote
4		Gopalganj	Tungipara	5	128.5	100,893	32	
5			Kotalipara	12	355.9	230,493	32	Remote
6		Jamalpur	Melandaha	11	258.3	313,182	32	Remote
7		Kishoregonj	Itna	9	401.9	164,127	32	Lowland
8	Chittagong	Rangamati	Rangamati Sadar	6	546.5	124,728	30	Hilly
9		Chandpur	Haimchar	6	134.2	109,575	32	Island
10			Hajigonj	11	189.9	330,477	33	
11		Feni	Parshuram	3	95.8	101,062	35	
12		Comilla	Chouddagram	13	270.5	443,648	33	PRDP
13	Rajshahi	Sirajganj	Sirajganj Sador	10	320.2	555,155	33	UZGP
14		Bogra	Shahjahanpur	9	221.7	289,804	34	PRDP & SDLG
15		Naogaon	Porsha	6	252.8	132,095	32	PRDP & SDLG
16		Rajsshahi	Durgapur	14	197.9	185,845	33	PRDP & SDLG
17	Khulna	Kustiya	Daulatpur	22	468.8	456,372	33	PRDP
18		Bagerhet	Sarankhola	4	756.6	119,084	33	PRDP
19		Magura	Magura Sadar	13	401.6	380,107	33	
20	Barisal	Burguna	Betagi	7	167.8	117,145	33	UZGP
21		Barisal	Mehendigonj	13	419.0	301,046	32	
22			Agoiljhara	5	155.5	149,456	33	PRDP
23	Sylhet	Maulvibazar	Sreemangal	9	450.7	318,025	32	
24	Rangpur	Gaibandha	Fulchari	7	314.0	165,334	33	SDLG
25		Rangpur	Pirganj	25	411.3	385,499	32	UZGP
Total								

Note: Data sources of population and area are BBS Census 2011.

Number of unions under each Upazila varies from 3 to 22. The more populated Upazila has more unions.

A1.2 Profile of Interviewees

Table A1.2 shows the profile of total 814 interviewees.

Table A1.2 Profile of 814 Interviewees

No	Upazila	Public Sector						Private Sector									Total
		Gov. Staff	AC Land	UZ Engineer	Health Officer	Agricultural Officer	Women Children Affairs Officer	NGO Employee	Private Company Employee	Shop Keeper	Self-employed	Farmer	Fisherman	Teacher	Lawer	Student	
1	Sreepur	5				11		2	2		6	3		4			33
2	Boalmari	7				3		3	1	2	6	4	2	2	1	1	32
3	Alfadanga	4		1	2	8		3	1	2	3	6		1		1	32
4	Tungipara	4	1			7		3		1	5	3	3	3	1	1	32
5	Kotalipara	5				7		3		1	6	4	2	3		1	32
6	Melandaha	6			1	4		3		2	4	3	5	2		2	32
7	Itna	5			2	2		3		2	5	2	5	4	1	1	32
8	Rangamati Sadar	4			1	4		2	2	1	5	1	4	3		3	30
9	Haimchar	7	1		2	5		3		3	3	2	2	1	1	2	32
10	Hajigonj	9			1	6		3		2	3	3	2	2		2	33
11	Parshuram	7			1	4		5		1	4	2	2	2	1	6	35
12	Chouddagram	5			1	4		3		3	4	3	1	2		7	33
13	Sirajganj Sador	6				8		3			3	6	2	2		3	33
14	Shahjahanpur	5				8		3			6	5	2	1		4	34
15	Porsha	5				7		3			6	4	4	2		1	32
16	Durgapur	5	1			5		3		1	5	6	4	2		1	33
17	Daulatpur	5				6		4	1	3	9	2		1		2	33
18	Sarankhola	5				6		3	2	3	12		1	1			33
19	Magura Sadar	7				4		3	1	3	8	4	1		1	1	33
20	Betagi	5				5		2	2	1	10		4	2		2	33
21	Mehendigonj	6				8	1	3		1	6	3		2		2	32
22	Agoiljhara	5				7		3	1	2	9	1	2	1		2	33
23	Sreemangal	4	1	1		4		3	1	2	4	3	5	2		2	32
24	Fulchari	5		1		3		4			5	3	9	2		1	33
25	Pirganj	4	1			5		3			6	6	4	2		1	32
	Total	135	5	3	11	141	1	76	14	36	143	79	66	49	6	49	814

The survey set minimum number of specific target in each Upazila. Specifically, one Upazila chairperson, three union chairpersons, five line department officers (UNO, AC Land, Upazila engineers, etc.), three project staff, three NGO officers, and twenty residents

Table A1.3 Age and Sex of Sample Population

	Sample Size	Age		
		Minimum	Average	Maximum
Male	600	18	43.2	82
Female	214	18	33.5	64
Total	814	18	40.6	82

The male sample population is significantly high. The average age is around 40 years old. The oldest interviewee, 82 years old, was a fisherman in Sirajganj Sador Upazila.

A1.3 Profile of Upazila Executives

The Table A1.4 shows the profile of Upazila executives. The chairpersons of Upazilas and Unions are around 50 years old and other officers are younger than the chairpersons. Chairpersons stay in the position in very long time, more than 20 years in average. Percentage of male is significantly high in any position other than AC Land. Especially, all Upazila Engineers were male.

Table A1.4 Profile of Upazila Executives

Position	Sample Size	Age	Male	Years in Position
UZ Chairperson	25	51.4	96%	23.9
Union Chairperson	75	49.2	97%	20.2
UNO	25	37.9	84%	9.2
AC Land	11	32.9	55%	4.4
UZ Engineer	25	46.1	100%	20.3
NBD Officer	64	44.1	83%	16.9

A1.4 Upazila Profile

The following pages show the Profile of 25 Upazilas based on Upazila Chairperson interview and other statitistical data.

Upazila Code	1
Upazila Name	**Sreepur**
Division	Dhaka
District	Gazipur
Number of Union	16
Area	462.94 sq. km
Population	492,792

| Name of Upazila Chairperson | Md Abdul Jalil |
| Number of Staff | 186 |

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	260,109,907	-	-
Amount of Revenue Income	19,110,000	-	-
Grant of National Treasury (ADP)	9,082,500	-	-
Own Tax Collection for Revenue Account	19,110,000	-	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	9,082,500	-	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	162 km
Total Length of Paved Rural Road	1,042 km

Number of Primary School	162
Number of Primary School Pupil	39,320

Number of Health Post	9
Number of Clinic and Hospital	3

Number of Tube Well	4,756

Upazila Code	2
Upazila Name	**Boalmari**
Division	Dhaka
District	Faridpur
Number of Union	11
Area	271.73 sq. km
Population	256,658

Name of Upazila Chairperson	Mst. Rekha Parvin
Number of Staff	429

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	15,729,283	11,867,713	-
Amount of Revenue Income	12,900,460	7,993,378	-
Grant of National Treasury (ADP)	6,452,000	6,472,000	-
Own Tax Collection for Revenue Account	7,845,460	2,938,378	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	6,452,000	6,472,000	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Not Submitted
Coordination System	Exists

Total Length of Rural Road	587 km
Total Length of Paved Rural Road	199 km

Number of Primary School	102
Number of Primary School Pupil	46,600

Number of Health Post	17
Number of Clinic and Hospital	5

Number of Tube Well	3,109

Upazila Code	3
Upazila Name	**Alfadanga**
Division	Dhaka
District	Faridpur
Number of Union	6
Area	127.87 sq. km
Population	108,302

Name of Upazila Chairperson	M.M. Jalal Uddin
Number of Staff	270

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	13,521,813	8,085,914	-
Amount of Revenue Income	2,969,843	2,375,000	-
Grant of National Treasury (ADP)	4,365,000	-	-
Own Tax Collection for Revenue Account	2,969,843	2,375,000	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	12,809,000	7,860,000	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	403 km
Total Length of Paved Rural Road	140 km

Number of Primary School	74
Number of Primary School Pupil	20,556

Number of Health Post	6
Number of Clinic and Hospital	3

Number of Tube Well	6,822

Upazila Code	4
Upazila Name	**Tungipara**
Division	Dhaka
District	Gopalganj
Number of Union	5
Area	128.53 sq. km
Population	100,893
Name of Upazila Chairperson	Asim Kumar Biswas(Vice-chairman Current Charge)
Number of Staff	152

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	12,691,363	5,694,946	-
Amount of Revenue Income	7,267,363	254,946	-
Grant of National Treasury (ADP)	5,424,000	5,440,000	-
Own Tax Collection for Revenue Account	7,267,363	254,946	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	5,424,000	5,440,000	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	302 km
Total Length of Paved Rural Road	182 km

Number of Primary School	77
Number of Primary School Pupil	16,618

Number of Health Post	7
Number of Clinic and Hospital	2

Number of Tube Well	2,560

Upazila Code	5
Upazila Name	**Kotalipara**
Division	Dhaka
District	Gopalganj
Number of Union	12
Area	355.9 sq. km
Population	230,493

Name of Upazila Chairperson   Mojibur Rahman Hawlader

Number of Staff   145

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	7,211,838	163,106	300,883
Amount of Revenue Income	7,755,094	1,226,221	798,967
Grant of National Treasury (ADP)	6,668,000	-	-
Own Tax Collection for Revenue Account	7,755,094	1,226,121	798,967

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	6,668,000	-	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	650 km
Total Length of Paved Rural Road	147 km

Number of Primary School	185
Number of Primary School Pupil	28,980

Number of Health Post	12
Number of Clinic and Hospital	5

Number of Tube Well	2,980

Upazila Code	6
Upazila Name	**Melandaha**
Division	Dhaka
District	Jamalpur
Number of Union	11
Area	258.32 sq. km
Population	313,182

Name of Upazila Chairperson	Alhazz AKM Habibur Rahman Chan

Number of Staff	147

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	10,684,485	6,836,154	-
Amount of Revenue Income	5,026,012	2,085,000	-
Grant of National Treasury (ADP)	7,308,400	7,000,000	-
Own Tax Collection for Revenue Account	4,318,500	1,235,000	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	7,308,400	7,000,000	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Not Prepared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	590 km
Total Length of Paved Rural Road	219 km

Number of Primary School	157
Number of Primary School Pupil	49,071

Number of Health Post	49
Number of Clinic and Hospital	1

Number of Tube Well	3,448

Upazila Code   7
Upazila Name   **Itna**
Division   Dhaka
District   Kishoregonj
Number of Union   9
Area   401.93 sq. km
Population   164,127

Name of Upazila Chairperson Choudhury Kamrul Hasan

Number of Staff   145

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	21,935,466	14,446,819	86,578,769
Amount of Revenue Income	11,059,466	8,006,819	2,976,248
Grant of National Treasury (ADP)	6,420,000	6,440,000	6,772,000
Own Tax Collection for Revenue Account	207,168	42,265	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	10,876,000	6,440,000	83,602,551
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	323 km
Total Length of Paved Rural Road	46 km

Number of Primary School	69
Number of Primary School Pupil	26,551

Number of Health Post	27
Number of Clinic and Hospital	1

Number of Tube Well	335

Upazila Code	8
Upazila Name	**Rangamati Sadar**
Division	Chittagong
District	Rangamati
Number of Union	6
Area	546.48 sq. km
Population	124,728

Name of Upazila Chairperson   Arunkanti Chakma

Number of Staff   225

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	14,121,037	11,952,085	11,363,568
Amount of Revenue Income	3,829,885	7,022,842	3,453,568
Grant of National Treasury (ADP)	7,800,000	6,620,000	6,960,000
Own Tax Collection for Revenue Account	40,164	1,476,632	2,990,244

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	13,671,000	6,620,000	8,210,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Not Prepared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	386 km
Total Length of Paved Rural Road	67 km

Number of Primary School	92
Number of Primary School Pupil	13,231

Number of Health Post	25
Number of Clinic and Hospital	2

Number of Tube Well	540

Upazila Code	9
Upazila Name	**Haimchar**
Division	Chittagong
District	Chandpur
Number of Union	6
Area	134.16 sq. km
Population	109,575

Name of Upazila Chairperson   Md.Shahjahan Mia

Number of Staff   126

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	8,149,375	6,600,000	5,996,000
Amount of Revenue Income	1,844,850	4,543,000	1,398,334
Grant of National Treasury (ADP)	8,000,000	5,700,000	5,996,000
Own Tax Collection for Revenue Account	1,844,850	1,844,850	1,398,334

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	8,000,000	5,700,000	5,996,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Not Prepared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	298 km
Total Length of Paved Rural Road	60 km

Number of Primary School	65
Number of Primary School Pupil	15,907

Number of Health Post	11
Number of Clinic and Hospital	1

Number of Tube Well	1,230

Upazila Code   10
Upazila Name   **Hajigonj**
Division   Chittagong
District   Chandpur
Number of Union   11
Area   189.9 sq. km
Population   330,477

Name of Upazila Chairperson   Md.Mujamul Hasan Majumdar

Number of Staff   172

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	22,518,016	27,220,718	13,966,100
Amount of Revenue Income	18,515,522	14,990,978	13,966,100
Grant of National Treasury (ADP)	6,488,000	14,892,000	9,344,000
Own Tax Collection for Revenue Account	10,000,000	9,863,850	8,868,179

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	6,488,000	14,592,000	13,473,197
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Not Prepared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	568 km
Total Length of Paved Rural Road	145 km

Number of Primary School	155
Number of Primary School Pupil	52,628

Number of Health Post	6
Number of Clinic and Hospital	1

Number of Tube Well	3,031

Upazila Code	11
Upazila Name	**Parshuram**
Division	Chittagong
District	Feni
Number of Union	3
Area	95.76 sq. km
Population	101,062

Name of Upazila Chairperson   Kamal Uddin Majumdar

Number of Staff   174

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	7,000,039	7,341,011	39,781,205
Amount of Revenue Income	4,866,907	1,360,687	668,143
Grant of National Treasury (ADP)	165,000	2,012,000	39,113,071
Own Tax Collection for Revenue Account	58,000	58,000	42,668

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	4,334,000	7,334,000	39,113,071
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Not Prepared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	420 km
Total Length of Paved Rural Road	169 km

Number of Primary School	51
Number of Primary School Pupil	11,513

Number of Health Post	34
Number of Clinic and Hospital	1

Number of Tube Well	780

Appendix

Upazila Code	12
Upazila Name	**Chouddagram**
Division	Chittagong
District	Comilla
Number of Union	13
Area	270.49 sq. km
Population	443,648

Name of Upazila Chairperson   Abdus Sobhan Bhuyan

Number of Staff   158

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	29,632,114	17,396,621	9,078,534
Amount of Revenue Income	21,103,845	10,806,305	4,722,370
Grant of National Treasury (ADP)	5,544,000	7,116,000	7,484,000
Own Tax Collection for Revenue Account	17,657,149	273,500	17,034

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	10,708,767	-	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	1,236 km
Total Length of Paved Rural Road	437 km

Number of Primary School	173
Number of Primary School Pupil	46,242

Number of Health Post	52
Number of Clinic and Hospital	1

Number of Tube Well	3,426

Upazila Code	13
Upazila Name	**Sirajganj Sador**
Division	Rajshahi
District	Sirajganj
Number of Union	10
Area	320.15 sq. km
Population	555,155

Name of Upazila Chairperson	Md. Riazuddin

Number of Staff	252

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	79,336,177	12,355,875	12,112,985
Amount of Revenue Income	9,212,536	4,410,000	3,506,619
Grant of National Treasury (ADP)	7,748,000	8,148,000	8,148,000
Own Tax Collection for Revenue Account	2,700,000	4,010,000	3,375,919

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	72,729,221	10,926,000	10,926,000
Budget Flow by Member of Parliament	64,907,721	1,896,000	1,896,000

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	700 km
Total Length of Paved Rural Road	160 km

Number of Primary School	237
Number of Primary School Pupil	66,964

Number of Health Post	12
Number of Clinic and Hospital	6

Number of Tube Well	4,239

Upazila Code	14
Upazila Name	**Shahjahanpur**
Division	Rajshahi
District	Bogra
Number of Union	9
Area	221.69 sq. km
Population	289,804

Name of Upazila Chairperson	Md. Sorker Badol

Number of Staff	155

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	12,050,000	16,947,605	6,761,325
Amount of Revenue Income	4,400,000	12,181,501	3,463,798
Grant of National Treasury (ADP)	12,000,000	9,296,000	6,719,111
Own Tax Collection for Revenue Account	4,400,000	7,185,501	3,463,798

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	12,000,000	9,296,000	6,719,111
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	500 km
Total Length of Paved Rural Road	206 km

Number of Primary School	121
Number of Primary School Pupil	31,269

Number of Health Post	18
Number of Clinic and Hospital	4

Number of Tube Well	3,055

Upazila Code	15
Upazila Name	**Porsha**
Division	Rajshahi
District	Naogaon
Number of Union	6
Area	252.83 sq. km
Population	132,095

Name of Upazila Chairperson   Md Anwarul Islam

Number of Staff   207

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	11,531,880	10,409,459	7,286,317
Amount of Revenue Income	5,021,330	4,024,997	5,731,317
Grant of National Treasury (ADP)	6,550,970	5,916,000	1,555,000
Own Tax Collection for Revenue Account	5,021,330	4,024,997	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	6,010,550	5,916,000	1,555,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	406 km
Total Length of Paved Rural Road	114 km

Number of Primary School	87
Number of Primary School Pupil	13,587

Number of Health Post	7
Number of Clinic and Hospital	2

Number of Tube Well	1,678

Upazila Code 16
Upazila Name **Durgapur**
Division Rajshahi
District Rajsshahi
Number of Union 14
Area 197.89 sq. km
Population 185,845

Name of Upazila Chairperson Md Nazrul Islam

Number of Staff 220

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	97,175,958	9,098,824	6,759,233
Amount of Revenue Income	3,291,500	6,839,986	335,802
Grant of National Treasury (ADP)	94,293,875	5,976,000	6,284,000
Own Tax Collection for Revenue Account	-	-	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	94,293,875	5,976,000	6,284,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	638 km
Total Length of Paved Rural Road	210 km

Number of Primary School	83
Number of Primary School Pupil	19,577

Number of Health Post	7
Number of Clinic and Hospital	2

Number of Tube Well	2,620

Upazila Code	17
Upazila Name	**Daulatpur**
Division	Khulna
District	Khulna
Number of Union	22
Area	468.76 sq. km
Population	456,372

Name of Upazila Chairperson	Md. Foroz Al Mamun

Number of Staff	439

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	16,468,243	16,267,002	18,503,306
Amount of Revenue Income	12,808,546	11,894,120	13,616,915
Grant of National Treasury (ADP)	11,794,982	11,093,387	10,895,420
Own Tax Collection for Revenue Account	12,808,546	11,894,120	13,616,915

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	11,794,982	11,093,387	10,895,420
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	915 km
Total Length of Paved Rural Road	409 km

Number of Primary School	329
Number of Primary School Pupil	81,214

Number of Health Post	34
Number of Clinic and Hospital	46

Number of Tube Well	5,155

Upazila Code	18
Upazila Name	**Sarankhola**
Division	Khulna
District	Bagerhet
Number of Union	4
Area	756.6 sq. km
Population	119,084

Name of Upazila Chairperson	Kamaluddin Akand

Number of Staff	245

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	12,628,229	7,292,789	7,654,259
Amount of Revenue Income	1,686,789	1,650,895	1,434,564
Grant of National Treasury (ADP)	12,600,000	7,256,000	7,632,000
Own Tax Collection for Revenue Account	1,686,789	1,650,895	1,434,564

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	12,600,000	7,256,000	7,632,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	383 km
Total Length of Paved Rural Road	119 km

Number of Primary School	113
Number of Primary School Pupil	18,000

Number of Health Post	19
Number of Clinic and Hospital	2

Number of Tube Well	1,271

Upazila Code	19
Upazila Name	**Magura Sadar**
Division	Khulna
District	Magura
Number of Union	13
Area	401.58 sq. km
Population	380,107

Name of Upazila Chairperson   Md. Nazim Uddin

Number of Staff   424

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	90,538,933	64,725,300	-
Amount of Revenue Income	130,017,788	91,727,643	-
Grant of National Treasury (ADP)	79,069,000	57,534,258	-
Own Tax Collection for Revenue Account	130,013,468	86,040,563	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	79,069,000	57,534,258	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	623 km
Total Length of Paved Rural Road	190 km

Number of Primary School	216
Number of Primary School Pupil	46,903

Number of Health Post	39
Number of Clinic and Hospital	12

Number of Tube Well	8,095

Appendix

Upazila Code	20
Upazila Name	**Betagi**
Division	Barisal
District	Burguna
Number of Union	7
Area	167.75 sq. km
Population	117,145

Name of Upazila Chairperson   Md. Shahjahan Kabir

Number of Staff   289

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	20,000,000	10,536,000	-
Amount of Revenue Income	3,920,111	7,634,254	-
Grant of National Treasury (ADP)	20,000,000	10,536,000	-
Own Tax Collection for Revenue Account	3,920,111	7,634,254	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	20,000,000	10,536,000	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	1,272 km
Total Length of Paved Rural Road	155 km

Number of Primary School	131
Number of Primary School Pupil	20,406

Number of Health Post	7
Number of Clinic and Hospital	1

Number of Tube Well	2,932

Upazila Code	21
Upazila Name	**Mehendigonj**
Division	Barisal
District	Barisal
Number of Union	13
Area	418.96 sq. km
Population	301,046

Name of Upazila Chairperson	Md. Munsur Ahmed

Number of Staff	243

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	13,200,732	10,228,710	9,349,534
Amount of Revenue Income	10,042,000	10,143,711	1,009,608
Grant of National Treasury (ADP)	10,500,000	9,208,000	7,580,000
Own Tax Collection for Revenue Account	10,042,000	10,143,711	1,009,608

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	10,500,000	9,208,000	7,580,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	1,080 km
Total Length of Paved Rural Road	267 km

Number of Primary School	209
Number of Primary School Pupil	63,312

Number of Health Post	15
Number of Clinic and Hospital	23

Number of Tube Well	2,118

Upazila Code	22
Upazila Name	**Agoiljhara**
Division	Barisal
District	Barisal
Number of Union	5
Area	155.47 sq. km
Population	149,456

Name of Upazila Chairperson	Golam Mortuja Khan

Number of Staff	220

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	7,476,500	9,920,767	7,068,848
Amount of Revenue Income	6,122,000	5,653,482	1,105,589
Grant of National Treasury (ADP)	6,000,000	5,784,000	7,184,000
Own Tax Collection for Revenue Account	6,122,000	5,653,482	1,105,589

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	6,000,000	5,784,000	7,184,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	498 km
Total Length of Paved Rural Road	255 km

Number of Primary School	96
Number of Primary School Pupil	22,120

Number of Health Post	20
Number of Clinic and Hospital	4

Number of Tube Well	1,152

Upazila Code 23
Upazila Name **Sreemangal**
Division Sylhet
District Maulvibazar
Number of Union 9
Area 450.73 sq. km
Population 318,025

Name of Upazila Chairperson Ranodher Kumar Dev

Number of Staff 146

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	28,489,836	9,930,871	10,294,510
Amount of Revenue Income	27,782,205	4,320,000	6,638,122
Grant of National Treasury (ADP)	8,616,000	9,485,871	7,580,000
Own Tax Collection for Revenue Account	11,285,833	90,000	80,224

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	8,616,000	9,485,871	7,580,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	613 km
Total Length of Paved Rural Road	170 km

Number of Primary School	100
Number of Primary School Pupil	26,056

Number of Health Post	38
Number of Clinic and Hospital	1

Number of Tube Well	2,895

Upazila Code   24
Upazila Name   **Fulchari**
Division   Rangpur
District   Gaibandha
Number of Union   7
Area   314.03 sq. km
Population   165,334

Name of Upazila Chairperson   Md Habibur Rahman

Number of Staff   195

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	13,401,000	16,246,000	9,426,000
Amount of Revenue Income	6,465,000	10,118,000	2,982,000
Grant of National Treasury (ADP)	10,000,000	6,128,000	6,444,000
Own Tax Collection for Revenue Account	6,465,000	5,330,000	2,982,000

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	10,000,000	6,128,000	6,444,000
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Not exsists

Total Length of Rural Road	257 km
Total Length of Paved Rural Road	36 km

Number of Primary School	97
Number of Primary School Pupil	28,136

Number of Health Post	3
Number of Clinic and Hospital	1

Number of Tube Well	2,483

Upazila Code	25
Upazila Name	**Pirganj**
Division	Rangpur
District	Rangpur
Number of Union	25
Area	411.34 sq. km
Population	385,499

Name of Upazila Chairperson	Nur Mohmmad Mondol

Number of Staff	142

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Total Income	36,282,736	-	-
Amount of Revenue Income	31,051,267	-	-
Grant of National Treasury (ADP)	12,443,000	-	-
Own Tax Collection for Revenue Account	31,051,267	-	-

Unit: BDT

Revenue Item	2013/14	2012/13	2011/12
Amount of Development Income	18,412,132	-	-
Budget Flow by Member of Parliament	-	-	-

Five Year Plan (Not scheme list)	Not Prepared
Annual Budget Plan	Preapared
Submission of Account Settlement Report	Submitted
Coordination System	Exists

Total Length of Rural Road	827 km
Total Length of Paved Rural Road	227 km

Number of Primary School	233
Number of Primary School Pupil	63,540

Number of Health Post	12
Number of Clinic and Hospital	1

Number of Tube Well	4,375

A1.5 Needs of Rural Infrastructure and Capacity Development

This section describes the needs of rural infrastructure and capacity development by division-wise. It shows the needs of rural infrastructure slightly differ by area. Questionnaire surveyor asked interviewee with the needs each rural infrastructure with the scale of 1: Very Unnecessary, 2: Unnecessary, 3: Neutral, 4: Necessary, and 5: Very Necessary.

Table A1.5 Major Development Issues (by Division)

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
Sample Size	225	163	132	99	98	32	65
1.Rural road development	4.72	4.44	4.80	4.64	4.70	4.63	4.75
2.Safe drinking water supply	4.27	4.19	4.80	4.30	4.31	4.16	4.69
3. Education	4.64	4.05	4.81	4.45	4.48	4.00	4.88
4. Medical service	4.60	4.29	4.85	4.39	4.42	4.13	4.89
5. Flood management	4.04	3.58	4.25	4.06	4.01	3.72	4.28
6. Agriculture development	4.43	4.05	4.70	4.41	4.40	4.31	4.85
7.Creation of employment opportunity	4.64	4.47	4.83	4.57	4.49	4.31	4.95
8. Good governance, transparency, and information disclosure	4.36	3.99	4.65	4.54	4.33	3.84	4.78
9.Support for the poor, elderly and disadvantaged	4.38	4.04	4.87	4.41	4.48	3.94	4.86

Most divisions prioritized the rural development except two divisions of Rajshahi and Rangpur. Contrarily, all divisions considered flood management as lower priority.

Table A1.6 Major Development Issues (by Interviewee Category)

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident
Sample Size	225	12	76	501
1.Rural road development	4.63	4.17	4.32	4.74
2.Safe drinking water supply	4.48	4.17	4.46	4.32
3. Education	4.49	4.33	4.53	4.50
4. Medical service	4.53	4.33	4.58	4.53
5. Flood management	3.96	3.42	3.95	4.02
6. Agriculture development	4.32	4.00	4.39	4.48
7.Creation of employment opportunity	4.61	4.25	4.68	4.63
8. Good governance, transparency, and information disclosure	4.34	4.00	4.53	4.36
9.Support for the poor, elderly and disadvantaged	4.44	4.17	4.41	4.44

Table A1.6 shows the same answer by interviewee category. Government staff and residents prioritized the rural road development as top development issue. Project staff and NGO officers considered different areas for major development issues.

A1.5.1 Needs of Rural Roads

Table A1.7 shows the needs of rural roads by division.

Table A1.7 Needs of Rural Roads

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
Brick Roads	3.85	3.47	4.43	4.07	4.20	3.56	4.45
Concrete Roads	4.71	4.52	4.75	4.67	4.51	4.91	4.85
Surface Roads	3.46	3.22	3.91	2.72	3.38	3.22	4.25
Katcha (earthen) Roads	3.26	3.18	3.77	2.46	3.08	3.09	4.22
Repair of Existing Roads	4.68	4.69	4.92	4.80	4.84	4.53	4.92

Repair of existing roads were prioritized in five divisions, while Dhaka and Sylhet considered concrete roads to be prioritized.

A1.5.2 Needs of Drinking Water Supply Facility

Table A1.8 shows the needs of drinking water supply facility.

Table A1.8 Needs of Drinking Water Supply Facility

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
More Tube Well	4.38	4.19	4.65	3.93	4.28	4.34	4.72
Piped Water Supply System	3.44	2.65	4.39	4.02	3.59	2.53	3.55

Except Khulna, all divisions prioritized tube well over piped water supply.   Among them, Chittagong and Sylhet had large gap between the two options.

A1.5.3 Needs of Educational Facility

Table A1.9 shows the needs of educational facility.

Table A1.9 Needs of Educational Facility

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
Primary Schools	3.75	3.20	3.51	3.31	3.47	3.13	4.03
High Schools	3.58	3.14	3.58	3.37	3.31	3.56	4.22
Colleges	3.78	3.39	3.74	3.21	3.48	3.06	3.97
Madrasas	3.49	2.70	3.44	3.15	3.61	3.41	3.86
Vocational Training schools	4.51	4.44	4.75	4.43	4.60	4.28	4.92
Supply of furniture and educational instruments to schools	4.62	4.52	4.66	4.48	4.59	4.78	4.85

Four divisions prioritized the furniture and equipment. Most divisions prioritized the primary schools and madrasas lowly.   All divisions considered Vocational Training School within the top two priorities.

A1.5.4 Needs of Natural Disaster Management

Table A1.10 shows the needs of disaster management.

Table A1.10 Needs of Natural Disaster Management

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
Cyclone Shelter	3.77	2.88	4.02	3.58	4.45	2.09	4.09
Dams for Flood Protection	3.74	2.75	3.06	3.55	4.09	2.84	4.25
Supply of Food during disaster	4.25	3.57	4.39	4.16	4.26	3.47	4.52
Water purification tablets during disaster	4.27	3.55	4.42	4.11	4.17	3.16	4.72
Supply of small boats during flood	3.60	2.81	2.84	3.37	3.67	1.63	3.98

The needs of natural disaster management widely differed by division. Dams were less needed by all divisions. The countermeasures during the flooding were more needed.

A1.5.5   Needs of Agriculture Development

Table A1.11 shows the needs of agriculture development.

Table A1.11 Needs of Agriculture Development

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
Irrigation Facility	4.35	3.97	4.75	4.30	4.29	4.41	4.75
Drainage System	4.21	3.93	4.65	4.37	4.30	4.34	4.66
Quality Seed Supply	4.47	4.06	4.79	4.44	4.43	4.16	4.89
Cold Storage Facility	3.88	4.07	4.17	4.06	3.85	3.91	3.54

Six divisions ranked quality seed supply as most needed while drainage system is less needed by all divisions. Chittagong needed cold storage facility.

A1.5.6   Needs of Creation of Employment Opportunity

Table A1.12 shows the needs of creation of employment opportunity.

Table A1.12 Needs of Creation of Employment Opportunity

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
Private Jobs	4.46	4.42	4.68	4.36	4.28	4.47	4.74
Public Jobs	4.52	4.39	4.45	4.69	4.57	4.28	4.52
Bank Credit	4.24	3.88	4.48	4.30	4.30	4.00	4.55
Training Program for youth/ skill development programs	4.65	4.67	4.83	4.52	4.66	4.53	4.91

This question is not about rural infrastructure but related to capacity development needs in Upazilas. Six divisions prioritized the training program for youth/ skill development program rather than job creation itself in private and public sector.

A1.5.7   Needs of Good Governance/ Transparency/ Information Disclosure in Upazila/ Union

Table A1.13 shows the needs of good governance/ transparency/ information disclosure in Upazila/ Union.

Table A1.13 Needs of Good Governance/ Transparency/ Information Disclosure in Upazila/ Union

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
Needs of governance/ transparency, information disclosure	4.34	4.09	4.69	4.58	4.59	3.78	4.77

The necessity of good governance seemed lower than previous questions. Six divisions ranked more than 4.00 and it means most interviewee considers the issue as necessary or very necessary.

A1.5.8   Needs of Development of Social Welfare and Security

Table A1.14 shows the needs of development of social welfare.

Table A1.14 Needs of Development of Social Welfare and Security

Division Name	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur
Social Security/ Safety Net	4.34	3.75	4.67	4.46	4.40	3.59	4.80
Cultural Activity	4.08	3.80	4.32	4.09	4.14	3.78	4.29
Improvement of Law and Order Situation	4.44	4.10	4.65	4.55	4.46	3.94	4.80

Six divisions ranked improvement of law and order situation as top priority. Sylhet Division recognized less necessity in all three items than other six divisions.

A1.6 National Policy and People's Participation

This section of questionnaire asked interviewee national policy and people's participation. The position of interviewee would be reflected to the answers. So, the answers are tabulated by the interviewee's category.

A1.6.1 Familiarity with National Policy and Programs on Local Governance

Table A1.15 shows the familiarity with national policy and programs on local governance.

Table A1.15 Familiarity with Policy and Programs (by Interviewee Category)

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident
Sample Size	225	12	76	501
Familiarity	3.53	3.25	2.24	2.63

Note: 1:Not at all, 2: A little bit, 3: Neutral, 4: Familiar, 5: Very Familiar

Naturally, government staff showed the best familiarity for the policy and programs while residents showed less than 3. These meant NGO staff and residents are very unfamiliar with the national policy and program.

Table A1.16 Familiarity with Policy and Programs (by Age and Sex)

Age	20s	30s	40s	50s	60s+	Total
Male	2.5	2.9	3.1	3.3	3.0	3.0
Female	2.3	2.6	3.1	2.6	4.0	2.6

50s male and 60s+ female were the most familiar groups among each sex. Younger generation of 20s were the least familiar group.

A1.6.2 Participation on Seminar or Workshop on National Policies and Programs on Local Governance

Table A1.17 shows the participation on seminar or workshop on national policies and programs on local governance within one year.

Table A1.17 Seminar/ Workshop Participation within One Year

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident	Total
Joined seminar or workshop	129	5	18	200	352
Percentage	57%	42%	24%	40%	43%

Naturally, government staff showed the highest percentage of 57%, while 40% of residents joined

seminar/ workshop within one year. The residents' participation rate is considerably high but it is not reflected to familiarity to the national policies described above.

A1.6.3   Satisfaction with Local Governance Policy or Program

Table A1.18 shows the satisfactory level on local governance policy or program.

Table A1.18 Satisfactory Level with Local Governance Policy and Programs

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident
Satisified with local governance policy and programs?	3.36	3.33	3.07	3.44

Note: 1:Very Unsatisfactory, 2: Unsatisfactory, 3: Neutral, 4: Satisfactory,
5: Very Satisfactory

Residents were more satisfied than government staff. It might look strange but residents were not familiar with the policy and programs as shown above.

A1.6.4   Satisfaction with Local Government Budgeting

Table A1.19 shows the satisfactory level on local government budgeting.

Table A1.19 Satisfactory Level with Local Government Budgeting

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident
Satisified with national government's budgeting to local government?	2.93	3.08	3.00	3.22

Note: 1:Very Unsatisfactory, 2: Unsatisfactory, 3: Neutral, 4: Satisfactory,
5: Very Satisfactory

Generally, the level was around 3 and it was neutral level and it was much lower than the previous question.   Residents were more satisfied than government staff.

A1.7 International Donors' Program and Project

This section of questionnaire asked interviewee international donors' program and project. The position of interviewee would be reflected to the answers. So, the answers are tabulated by the interviewee's category.

A1.7.1   Familiarity with Donors' Project

Table A1.20 shows the familiarity level with donors' project.

Table A1.20 Familiarity with Donors' Project

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident
Sample Size	225	12	76	501
LGSP	3.53	3.42	2.24	2.63
UPGP	1.73	2.17	1.34	1.21
UZGP	2.08	1.83	1.34	1.13
SDLP	1.25	1.58	1.18	1.05
PRDP	1.75	4.08	1.26	1.22

Note: 1:Not at all, 2:A little bit, 3:Neutral, 4:Familiar, 5:Very Familiar.

LGSP was relatively known among government staff, other projects are not known among people. Project staff were familiar with their own projects and the familiarity is high.

A1.7.2   Participation on Donor's Seminar or Workshop

Table A1.21 shows the participation of seminar or workshop supported by international donors within one year.

Table A1.21 Familiarity with Donors' Project

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident
Joined seminar or workshop	111	7	16	99
Percentage	49%	58%	21%	20%

Naturally, almost half of government staff and project staff joined the seminar or workshop within one year.   Even so, 20% of residents joined such meetings.

A1.7.3 Satisfaction with Project/ Programs Supported by International Donors

Table A1.22 shows the participation of seminar or workshop supported by international donors within one year.

Table A1.22 Satisfaction with Donors' Project

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident
Sample Size (Excluding for "6. I do not know" answer.)	120	7	19	190
Satisified with donors policy and programs?	3.66	3.86	3.63	3.57

Note: 1:Very Unsatisfactory, 2: Unsatisfactory, 3: Neutral, 4: Satisfactory,

5: Very Satisfactory, 6: I do not know.

The sample was limited to the persons who at least know the project. So, the satisfactory level seems high for all categories.

A1.7.4 Budget Sufficiency by International Donors

Table A1.23 shows the sufficiency level of project/ program budget by international donors.

Table A1.23 Budget Sufficiency by International Donors

Interviewee Category	Gov. Staff	Project Staff	NGO	Resident
Population Size (Excluding for "6. I do not know" answer.)	162	12	37	262
Sufficient budget by international donorst?	2.88	3.17	3.19	2.81

Note: 1:Very Insufficient, 2: Insufficient, 3: Neutral, 4: Sufficient,

5: Very Sufficient, 6: I do not know.

It might be difficult to assess the budget sufficiency because such data are not easily available. However, more than half interviewees knew international donors' project and programs. The budge sufficiency was around neutral.

A1.7.5 Evaluation of Specific Project/ Program

Table A1.24 shows the evaluation of specific project and program.

Table A1.24 Evaluation of Specific Project and Program

Interviewee Category		Gov. Staff	Project Staff	NGO	Resident
	Sample Size	225	12	76	501
PRDP	Don't know	146	2	59	341
	Evaluation	4.03	4.90	3.82	3.78
UDCC	Don't know	86	1	56	197
	Evaluation	4.02	4.91	3.45	4.01
UDO	Don't know	112	3	44	331
	Evaluation	4.28	4.33	4.09	3.95

Note: 1:Very bad, 2: Bad, 3: Neutral, 4: Good, 5: Very Good

UDCC: Union Development Coodination Committee

UDO: Union Development Officer

The evaluation is counted only for who did not answer as "I do not know." PRDP was not known to people, but evaluation by those who know it was high. UDCC was well known to people and its evaluation was high for all categories. UDC was known by almost half of interviewees and its evaluation is also high.

A1.8 Own Local Government Institutions

This section of questionnaire asked Upazila Chairpersons and Union Chairpersons their institutions. The answers are tabulated by the interviewee's two categories.

A1. 8.1 About Upazila and Union Parishad Meetings

Table A1.25 shows the numbers of Upazila and Union Parishad meetings held and attended by each category.

Table A1.25 Numbers of Upazila and Union Parishad Meetings

Interviewee Category	Upazila Chairperson	Union Chairperson
Sample Size	25	75
Number of Uz/Union Parishad meeting held in one year	9.6	16.8
Number of Upazila Parishad meeting attended in one year	7.5	12.9
Number of Union Parishad meeting attended in one year	3.4	17.1

Because Union chairpersons are required to attend both Upazila and Union Parishad meetings, Union chairperson attended more meetings than Upazila chairpersons.

A1.8.2 Budget Sufficiency

Table A1.26 shows the budget sufficiency level of Upazila and Union and Table A1.27 shows the main reasons of insufficiency by those who answered as "very insufficient" or "insufficient".

Table A1.26 Budget Sufficiency of Upazila and Union

Interviewee Category	Upazila Chairperson	Union Chairperson
Sufficiency	2.1	2.2

Note: 1:Very insufficient, 2: Insufficient,
3: Neutral, 4: Sufficient, 5: Very Sufficient.

The levels of budget insufficiency of Upazilas and Unions were almost same and very close to "insufficient" level.

Table A1.27 Main Reason of Budget Insufficiency

Interviewee Category	Upazila Chairperson	Union Chairperson
Sample Size	18	60
Small allocation from national government	18	55
Small allocation from int'l donors	5	15
Inefficient Spending	0	2
Costly project	1	5
Shortage of tax collection	11	38
Do not know why	0	1

Note: Multiple answers.

The main reasons of budget insufficiency were also similar between the two. Both depended on the allocation from national budget, but they also consider their own tax collection. They considered the revenue side seriously but not for the expenditure side.

Table A1.28 shows the countermeasures taken to increase the revenue.

Table A1.28 Countermeasures to Increase Budget

Interviewee Category	Upazila Chairperson	Union Chairperson
Request of budget increase from national government	17	58
Request of budget increase from international donors	3	40
Increase of tax collection	16	63
No action	5	3

Note: Multiple answers.

Upazilas and Unions mainly had two countermeasures such as request to national government and own tax collection.   In addition, Unions were very active to request budget to international donors.

A1.8.3 Staff Sufficiency and Capacity Development Needs

Table A1.29 shows the staff sufficiency level of Upazila and Union and Table A1.30 shows the main reasons of insufficiency by those who answered as "very insufficient" or "insufficient".

Table A1.29 Staff Sufficiency of Upazila and Union

Interviewee Category	Upazila Chairperson	Union Chairperson
Sufficiency	2.75	2.25

Note: 1:Very insufficient, 2: Insufficient,
3: Neutral, 4: Sufficient, 5: Very Sufficient.

Upazilas had more sufficient staff than Unions. Upazilas were close to "neutral" but Unions are close to "insufficient".

Table A1.30 Main Reason of Staff Insufficiency

Interviewee Category	Upazila Chairperson	Union Chairperson
Sample Size	10	56
Number of staff is not enough	4	52
Job is too much	6	18
Good staff is not available in local areas	3	32
Salary is not enough	0	0

Note: Multiple answers.

Only ten Upazilas considered staff are insufficient and the main reason of insufficiency was considered as the volume of jobs. Unions consider that number of staff was not enough and good staff is not available in local areas.

Table A1.31 Sufficiency on Staff Quality

Interviewee Category	Upazila Chairperson	Union Chairperson
Sufficiency	3.0	2.9

Note: 1:Very insufficient, 2: Insufficient, 3: Neutral,
4: Sufficient, 5: Very Sufficient

Table A1.32 shows the sufficiency on staff quality. Upazilas and Unions considered that the staff quality was not so bad and close to neutral.

Table A1.32 Insufficient Skill of Staff

Interviewee Category	Upazila Chairperson	Union Chairperson
Sample Size	4	25
Administration	3	6
Communication	1	1
IT skill	1	18
Engineering capability	1	17
Knowledge on gov. policy and program	2	8
Do not know	0	0

Note: Multiple answers.

Table A1.32 shows the main reasons of insufficient skills of staff answered by those who answered as "very insufficient" or "insufficient" in A1.31. Upazilas considered general administrative skill was insufficient while Unions recognized the IT skill and engineering capability were insufficient.

Table A1.33 shows the capacity development needs for Upazila/Union staff.

Table A1.33 Capacity Development Needs for Upazila/ Union

Interviewee Category	Upazila Chairperson	Union Chairperson
Sample Size	25	75
Good governance, transparency, and anti-corruption	18	54
Budget planning and implementation	15	50
Auditing of budget settlement	6	53
Proj. planning and	12	44
Monitoring and evaluation	6	49
Knowledge on gov. policy and program	13	55
ICT	11	66
Tax collection	6	43
Fiscal management	8	44
Meeting management	3	36
Do not know	4	0

Note: Multiple choices.

Upazilas had high demand of good governance and budget planning while Unions had the demand in ICT, tax collection and good governance.

A1.8.4 People's Participation to Local Governance

Table A1.34 shows each chairperson's evaluation on people's cooperative attitude and positive participation to Upazila and Union operation.

Table A1.34 People's Cooperative Attitude and Positive Participation

Interviewee Category	Upazila Chairperson	Union Chairperson
Cooperativity	3.6	4.0
Positivity	3.6	3.9

Note:Cooperativity::Very uncooperative, 2:Uncooperative,

3: Neutral, 4: Cooperative, 5: Very cooperative.

Possitivity of participation: 1:Very negative,

2: Negative, 3: Neutral, 4: Positive, 5: Very positive.

Both evaluations were very high from the viewpoint of chair persons. Unions had better indicators than Upazilas.

Appendix 2. Environmental and Social Considerations

Appendix 2.1   Environmental Categorization of JICA Guidelines of Environmental and Social Considerations

Table A2.1.1 summarizes the project categorizations, based on the orders of the magnitude of potential negative impacts, to be caused by the implementation of development projects of concern.

Table A2.1.1   Project Categorizations

Category	Descriptions
A	The project is likely to have significantly adverse impacts on the environment or society. For example, ▸ A project with a wide range of impacts, impacts that are irreversible, complicated, or unprecedented, and impacts that are difficult to assess. ▸ A project for a sector that requires special attention (e.g., a sector that involves large-scale infrastructure development), involves activity that requires careful consideration (e.g., large-scale involuntary resettlement), or takes place inside or adjacent to a sensitive area (e.g., protected natural habitat)
B	The project may have adverse impacts on the environment or society, but these impacts are less significant than those of Category A projects. These impacts are site-specific; few, if any, of them are irreversible; in most cases, they can be mitigated more readily than Category A projects. Responsibilities of the project proponents include the planning and monitoring of necessary ESC activities. ESC procedures such as Initial Environmental Examination and stakeholder participation may be required, depending on the scale and nature of the adverse impacts.
C	The project is likely to have minimal or no adverse impact on the environment or Society.
FI	JICA provides funds to a Financial Intermediary, which in turn implements sub-projects that may have adverse impacts on the environment or society, but these impacts cannot be identified in detail prior to JICA's approval. For instance, if there is a sub-project that can be categorized as Category A, it needs to go through the same procedure as a Category A project including JICA's environmental review and information disclosure prior to its implementation.

Source: JICA Guidelines for Environmental and Social Considerations, 2010

The project of sensitive sectors, characteristics, and areas shown in this illustrative list are those that will likely have a significant adverse impact on the environment and society.   Each individual project is categorized in accordance with the standards for "Category A" indicated in the categorization section of the guidelines, depending on the impacts of the individual projects.   Consequently, projects that are likely to have a significant adverse impact on the environment and society are categorized as "Category A" even if they are not included in the sectors, characteristic, or areas on the list.

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1. Sensitive Sectors
Large-scale projects in the following sectors:
(1) Mining, including oil and natural gas development
(2) Oil and gas pipelines
(3) Industrial development
(4) Thermal power, including geothermal power
(5) Hydropower, dams, and reservoirs
(6) Power transmission and distribution lines involving large-scale involuntary resettlement, large-scale logging, or submarine electrical cables
(7) River/erosion control
(8) Roads, railways, and bridges
(9) Airports
(10) Ports and harbors
(11) Water supply, sewage, and wastewater treatment that have sensitive characteristics or that are located in sensitive areas or in their vicinity
(12) Waste management and disposal
(13) Agriculture involving large-scale land clearing or irrigation

2. Sensitive Characteristics
(1) Large-scale involuntary resettlement (2) Large-scale groundwater pumping
(3) Large-scale land reclamation, land development, and land clearing (4) Large-scale logging

3. Sensitive Areas
Projects in the following areas or their vicinity:
(1) National parks, nationally-designated protected areas (coastal areas, wetlands, areas for ethnic

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minorities or indigenous peoples and cultural heritage, etc. designated by national governments)
(2) Areas that are thought to require careful consideration by the country or locality

4. Natural Environment

a) Primary forests or natural forests in tropical areas
b) Habitats with important ecological value (coral reefs, mangrove wetlands, tidal flats, etc.)
c) Habitats of rare species that require protection under domestic legislation, international treaties, etc.
d) Areas in danger of large-scale salt accumulation or soil erosion
e) Areas with a remarkable tendency towards desertification

5. Social Environment

a) Areas with unique archeological, historical, or cultural value
b) Areas inhabited by ethnic minorities, indigenous peoples, or nomadic peoples with traditional ways of life, and other areas with special social value

Appendix 2.2 Environmental Categorization of World Bank's Safeguard Policies

WB undertakes environmental screening of each proposed project in order to determine the appropriate extent and type of environmental assessment (EA). WB classifies the proposed projects into one of four categories, depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts (see Table A2.2.1).

Table A2.2.1   Project Categorization

Category	Descriptions
A	Proposed project is classified as Category A if it is likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented. These impacts may affect an area broader than the sites or facilities subject to physical works. EA for a Category A project examines the project's potential negative and positive environmental impacts, compares them with those of feasible alternatives (including the 'without project' situation), and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance. For a Category A project, the borrower is responsible for preparing a report, normally EIA (or a suitably comprehensive regional or sectoral EA) that includes, as necessary, elements of the other instruments referred to in paragraph 7 of Operational Policy 4.01.
B	Category B project has potential adverse environmental impacts on human populations or environmentally important areas - including wetlands, forests, grasslands, and other natural habitats - which are less adverse than those of Category A projects. These impacts are site-specific; few if any of them are irreversible; and in most cases mitigatory measures can be designed more readily than for Category A projects. The scope of EA for a Category B project may vary from project to project, but it is narrower than that of Category A assessment. Like Category A, a Category B environmental assessment examines the project's potential negative and positive environmental impacts and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance. The findings and results of EA for Category B projects are described in the project documentation (Project Appraisal Document and Project Information Document)
C	Likely to have minimal or no adverse environmental impacts and therefore do not require further EA action beyond screening.
FI	Projects where World Bank provides funds to participating national banks, credit institutions, and other financial intermediaries (FIs) for lending at the FIs' risk to final borrowers. In the case of such projects, the FI screens each subproject proposed for financing and classifies it into one of the three categories A, B, or C

Source: World Bank, http://web.worldbank.org/

For all Category A and B projects, the borrower provides relevant material in a timely manner prior to consultation and in a form and language that are understandable and accessible to the groups being consulted.

Appendix 2.3 Checklist for ESMS of Executing Agency[1]

No.	Questions (English)	Answer	Improvement Plan
1. Policy			
(1)	Does the financial intermediary/executing agency have any formal environmental policy or procedures? If yes, please describe them and provide appropriate documentation. If no, does the financial intermediary/executing agency have any plan to set such policy or procedures?	Yes	There are following two important environmental legal codes such as Environmental Conservation Act (ECA95) and Environmental Conservation Rules, 1997 (ECR97). All guidelines such as LGED Environmental guidelines were prepared based on this regulation. No significant gap is recognized between JICA Guidelines and ECR97.
(2)	Are there any types of projects in which the financial intermediary/executing agency will not take part due to the environmental risks? (e.g., projects involving handling of hazardous wastes or endangered plants or animals).	Yes	Environmental risks of all subprojects are examined, based on ECA95 and ECR97, mentioned above. Note that the Project will not financially support development of subprojects causing significant negative impacts such as "Category A"-classed ones, specified within JICA Guidelines, or subprojects with large-scale resettlement and/or land acquisition. The Project will have a review and selection process which rejects subprojects that are under "Category A".
2. Procedures			
(3)	Does the financial intermediary/executing agency have any environmental procedures such as screening, categorization and environmental review? If yes, please describe.	Yes	ECA95 and ECR97 of Bangladesh specify relevant environmental procedures such as screening, categorization, IEE and/or EIA studies and environmental reviews. Basically, all projects are categorized into four categories, Green, Orange A, Orange B and Red, depending on significance of potential environmental and social negative impacts. "Orange B"-category ones need IEE study and "Red"-category ones need EIA. The Project is designed to have a review and selection process which can reject subprojects that cause significant negative impacts such as "Category A" ones, specified within JICA Guidelines.
(4)	Please describe how you ensure that your subproject companies and their subprojects are operated in compliance with the national laws and regulations and applicable JICA's requirements.		(1) *Subproject Formulation.* When subprojects to be financed by the Project are formulated, Upazila chairperson, UNO and NBD officers concerned shall pay due attention to social and environmental considerations. Upazila Development Facilitator to be stationed by the Project will assist them to review the subprojects from technical viewpoints including environmental soundness. (2) *Subproject Screening by PMU.* PMU will screen all subprojects proposed by Upazilas. In this process, Environmental Safeguard Expert hired by PMU will

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[1] ADB Environmental Assessment Guidelines (2003), IX. Environmental Assessment for Financial Intermediation Loans and Equity Investments, Table 18: evaluating a Financial Intermediary – Environmental Due Diligence (para. 196-).

No.	Questions (English)	Answer	Improvement Plan
			review them from the environmental viewpoints. If any subproject is regarded as likely to have significant negative impact, it will be rejected. (3) *Subproject Screening by DoE*. In parallel to the screening by PMU, Upazila also applies for ECC with regard to categorized ADP, with support from Upazila Development Facilitator. DoE District Office will examine the respective categorized ADP and, if documents are satisfactory, ECC will be issued to the ADP category concerned. Thus, subprojects under the Project will be reviewed and sanctioned together with other ADP projects. (4) *Subproject Implementation*. During their implementation, all subprojects shall be under regular monitoring by Upazila Development Facilitator and NBD officers concerned. Any significant or unplanned disturbance on the environment, if detected, will be reported to Upazila and PMU for remedial measures. (5) *Completion Inspection*. Once the subproject is completed, on-site inspection will be carried out by NBD officers, Upazila Development Facilitator and/or Environmental Safeguard Expert of PMU. Unless the subproject's compliance with environmental guidelines and rules is confirmed, payment shall be suspended to the contractor. (6) *Environmental Audit*. At the end of each Project year, all Upazilas that received the funds from the Project shall undergo audit by a special audit team hired by the Project. The audit team will audit all financial transactions pertaining to the subprojects and review the subprojects from environmental and social viewpoints.
(5)	How are environmental considerations taken into account in the credit review and approval process for project loans or equity investments? (For financial intermediary only)	N/A	
(6)	How are environmental issues taken into account in deciding whether to offer or extend commercial credit, working capital finance, trade finance, payment services and other financial services to a company? (For financial intermediary only)	N/A	
3. Organization and Staff			

No.	Questions (English)	Answer	Improvement Plan
(7)	Please provide us with the organization chart of the financial intermediary/executing agency's Environmental and Social Management System (ESMS).		See attached sheet.
(8)	Who is responsible for environmental and social management within the financial intermediary/executing agency? (name/role and title)		Mr. Shah Kamal, Additional Secretary of LGD
(9)	Are there any staff with training for environmental and social considerations in the financial intermediary/executing agency? If so, describe.	No	LGD is a body mainly concerned with the administration of local government institutions. As such, it does not have technical staff who can take care of environmental and social considerations. However, as the executing agency of other projects such as LGSP (Local Governance Support Project)[2] LGD staff has received some training on environmental and social considerations on an ad hoc basis.
(10)	Are there any technical staff with an engineering/industry background responsible for technical analysis of credit proposals?	Yes	The Project will hire one Environmental Safeguard Expert (full time) and two engineers (part time) at PMU level. They will review all subproject proposals from environmental and engineering viewpoints. In addition, all UZPs have some (around 10) engineering staff in Upazila Engineers office including Upazila Engineer, Upazila Assistant Engineers, and Sub-Assistant Engineers. The office will provide technical support for infrastructure subprojects that will be planned by UZP.
(11)	What experience, if any, does the financial intermediary/executing agency have of hiring or dealing with environmental consultants?	No	LGD as an executing agency has experience in environmental audit in LGSP2. In LGSP2, auditors with some training on environmental and social considerations visit Union Parishad and subprojects to check their compliance with rule and guidance provided by the LGD. Since audit is checking after implementation of subprojects, some non-compliance cases have been found. Therefore, under the Project, Environmental Safeguard Expert and Social Consideration Expert are to be hired (55 MM each for 5 years) as well as Upazila Development Facilitators who will provide hands-on advice and assistance to UZP before implementing subprojects.

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[2] LGSP is a project implemented by LGD with support from the World Bank. It covers all Union Parishads of Bangladesh and provides grants to them as well as capacity building support to concerned officers at various levels.

No.	Questions (English)	Answer	Improvement Plan
(12)	What was the budget allocated to the ESMS and its implementation during a year? Please provide budget details including staff costs and training as well as any actual costs.	Yes	The Project will hire two local consultants to take care of all aspects related to environmental and social safeguards. These local consultants are: ・One (1) Environmental Safeguard Expert (55 MM) ・One (1) Social Consideration Expert (55 MM) ・Total budget BDT 46,200,000. In addition, training on environment governance will cost: ・Budget BDT 5,960,000
4. Monitoring and Reporting			
(13)	Do you receive environmental and social monitoring reports from subproject companies that you finance?	Yes.	Under this Project, all UPZs will prepare and submit environmental and social monitoring reports as part of their progress report to PMU periodically. These monitoring reports will also be submitted to JICA, as part of PMU's status report.
(14)	Please describe how you monitor the subproject company and their subprojects' social and environmental performance.	Yes.	At UZP, Upazila Development Facilitator will assist Upazila Parishad to monitor the environmental governance status of all subprojects, in particular, EMP status (ECC included). At PMU, a full-time Environmental Safeguard Expert is in charge of supervising EMP status of all UZPs.
(15)	Is there an internal process to report on social and environmental issues to senior management?	Yes	LGD has a regular monthly reporting system among higher officers. Once this Project is started, PMU will report regularly to Additional Secretary of LGD through this official system. PMU's report will include social and environmental issues. The report will be mainly done orally but, if the issues are serious, written memos will be prepared. Through this reporting system, results of annual audit, including environmental audit, will be reported once a year to Additional Secretary and all related high-ranking officials.
(16)	Do you prepare any social and environmental reports: - For other multilateral agencies or other stakeholders - E&S reporting in the Annual Report	Yes	PMU will prepare Environmental Monitoring Reports for this Project periodically. PMU will deliver it to JICA as PSR. The Environmental Monitoring Report could be provided to other stakeholders through LGD, if necessary.
5. Experience			
(17)	Has the financial intermediary/executing agency signed any national or international agreements or	No	The LGD as the executing agency of the Project is not an entity to enter such agreements. However, the Government of Bangladesh has signed conventions such as:

No.	Questions (English)	Answer	Improvement Plan
	declarations concerning environmental issues?		1) Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) 2) Convention on the Conservation of Migratory Species of Wild Animals (CMS).
(18)	Has the financial intermediary/executing agency ever received any criticism of its environmental record? If so, what was the criticism?	No	
(19)	Does the financial intermediary/executing agency carry out environmental audits of its properties to analyze health and safety issues, waste disposal, etc.?	No	According to ECR97, environmental audit including environmental monitoring and management is mandatory with regard to the implementation of all development projects. However, LGD has so far had no experience of implementing environmental audit on their own development projects. Under some donor-funded projects, however, LGD is trying newly to implement environmental audit. For example, LGSP, funded by the World Bank, has established its own environmental and social clearance scheme at all UPs to be applied for the subproject selection process. Through this process, each UP conducts relevant environmental check on subprojects by themselves, and report the selection results to LGSP headquarters. The selected subprojects of all UPs will undergo environmental audit for the first time in 2014/15.
(20)	Please state any difficulties and/or constrains related to the implementation of the ESMS.		No environmental expert works at all UZPs, so that no accumulation of experience and/or knowledge of environmental and social considerations for project implementation exist. Therefore, comprehensive capacity building shall be necessary to raise the capacity of environmental staff at local level. Capacity development programs regarding the improvement of environmental governance is to be developed and implemented by PMU as well as by hiring environmental consultants who will oversee all UZPs for environmental management.

6. Need of Capacity Development and Improvement Plan

As mentioned above, no environmental staff exists at all UZPs. It is strongly recommended to implement capacity development regarding the environmental clearance for selected development subprojects while raising strong environmental awareness within UZPs in order to improve environmental governance therein.

Overall environmental clearance and governance regarding the implementation of infrastructure development project in Bangladesh is still at the rudimentary stage. Therefore it is essential to establish this capacity development program in close coordination with DoE as well as other relevant agencies.

Appendix 2.4 Environmental Checklist

Environmental checklist

Category	Environmental Item	Main Check Items	Yes: Y No: N	Confirmation of Environmental Considerations (Reasons, Mitigation Measures)
1 Permits and Explanation	(1) EIA and Environmental Permits	(a) Have EIA/IEE reports been already prepared in official process? (b) Have EIA/IEE reports been approved by authorities of the host country's government (i.e., the Department of Environment)? (c) Have EIA/IEE reports been unconditionally approved? If conditions are imposed on the approval of EIA/IEE reports, are the conditions satisfied? (d) Have an Environmental Clearance Certificate under the Environmental Conservation Rules 1997 officially obtained? (e) In addition to the above approvals, have other required environmental permits been obtained from the appropriate regulatory authorities of the host country's government?	(a) N (b) N (c) N (d) N (e) N	(a)(b)(c)(d) EIA/IEE reports have not been prepared yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase. The LGED will complete EIA/IEE process for subprojects that EIA/IEE are mandatory, and obtain the Environmental Clearance Certificate under the Environmental Conservation Rules 1997 prior to the commencement of the subprojects. (e) Subprojects that will require other environmental permits have not been identified at present.
	(2) Explanation to the Local Stakeholders	(a) Have contents of the project and the potential impacts been adequately explained to the local stakeholders based on appropriate procedures, including information disclosure? Is understanding obtained from the local stakeholders? (b) Have the comment from the stakeholders (such as local residents) been reflected to the project design?	(a) N (b) N	(a)(b) The contents and potential impacts have not been fully explained and disclosed to the public yet since subprojects and their detailed designs are not determined yet.
	(3) Examination of Alternatives	(a) Have alternative plans of the project been examined with social and environmental considerations?	(a) N	(a) Alternatives were not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
2 Pollution Control	(1) Air Quality	(a) Is there a possibility that air pollutants emitted from the project related sources, such as vehicles traffic will affect ambient air quality? Does ambient air quality comply with the country's air quality standards? Are any mitigating measures taken? (b) Where industrial areas already exist near the route, is there a possibility that the project will make air pollution worse?	(a) N/A (b) N/A	(a)(b) The order of the magnitude of potential impact regarding the air quality is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

Category	Environmental Item	Main Check Items	Yes: Y No: N	Confirmation of Environmental Considerations (Reasons, Mitigation Measures)
	(2) Water Quality	(a) Is there a possibility that soil runoff from the bare lands resulting from earthmoving activities, such as cutting and filling will cause water quality degradation in downstream water areas? (b) Is there a possibility that surface runoff from roads will contaminate water sources such as groundwater? (c) Do effluents from various infrastructure facilities comply with the country's effluent standards and ambient water quality standards? Is there a possibility that the effluents will cause areas not to comply with the country's ambient water quality standards?	(a) N/A (b) N/A (c) N/A	(a)(b)(c) The order of the magnitude of potential impact regarding the water quality is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(3) Wastes	(a) Are wastes generated from the infrastructure facilities properly treated and disposed of in accordance with the country's regulations?	(a) N/A	(a) The order of the magnitude of potential impact regarding the waste is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(4) Soil Contamination	(a) Are adequate measures taken to prevent contamination of soil and groundwater by the effluents or leachates from the infrastructure facilities and the ancillary facilities?	(a) N/A	(a) The order of the magnitude of potential impact regarding the soil contamination is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(5) Noise and Vibration	(a) Do noise and vibrations comply with the country's standards?	(a) N/A	(a) The order of the magnitude of potential impact regarding the noise and vibration is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(6) Subsidence	(a) In the case of extraction of a large volume of groundwater, is there a possibility that the extraction of groundwater will cause subsidence?	(a) N/A	(a)(b) The order of the magnitude of potential impact regarding the air quality is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(7) Odor	(a) Are there any odor sources? Are adequate odor control measures taken?	(a) N/A	(a) The order of the magnitude of potential impact regarding the odor is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

Category	Environmental Item	Main Check Items	Yes: Y No: N	Confirmation of Environmental Considerations (Reasons, Mitigation Measures)
3 Natural Environment	(1) Protected Areas	(a) Is the project site or discharge area located in protected areas designated by the country's laws or international treaties and conventions? Is there a possibility that the project will affect the protected areas?	(a) N/A	(a) The order of the magnitude of potential impact regarding the protected area is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(2) Ecosystem	(a) Does the project site encompass primeval forests, tropical rain forests, ecologically valuable habitats (e.g., coral reefs, mangroves, or tidal flats)? (b) Does the project site encompass the protected habitats of endangered species designated by the country's laws or international treaties and conventions? (c) If significant ecological impacts are anticipated, are adequate protection measures taken to reduce the impacts on the ecosystem? (d) Are adequate protection measures taken to prevent impacts, such as disruption of migration routes, habitat fragmentation, and traffic accident of wildlife and livestock? (e) Is there a possibility that installation of roads will cause impacts, such as destruction of forest, poaching, desertification, reduction in wetland areas, and disturbance of ecosystems due to introduction of exotic (non-native invasive) species and pests? Are adequate measures for preventing such impacts considered? (f) If the project site is located at undeveloped areas, is there a possibility that the new development will result in extensive loss of natural environments? (g) Is there a possibility that changes in localized micro-meteorological conditions, such as solar radiation, temperature, and humidity due to a large-scale timber harvesting will affect the surrounding vegetation?	(a) N/A (b) N/A (c) N/A (d) N/A	(a)(b)(c)(d) The order of the magnitude of potential impact regarding the ecosystem is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(3) Hydrology	(a) Is there a possibility that hydrologic changes due to the project will adversely affect surface water and groundwater flows?	(a) N/A	(a) The order of the magnitude of potential impact regarding the hydrology is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

Category	Environmental Item	Main Check Items	Yes: Y No: N	Confirmation of Environmental Considerations (Reasons, Mitigation Measures)
	(4) Topography and Geology	(a) Is there a possibility the project will cause large-scale alteration of the topographic features and geologic structures in the project site and surrounding areas? (b) Is there any soft ground on the route that may cause slope failures or landslides? Are adequate measures considered to prevent slope failures or landslides, where needed? (c) Is there a possibility that civil works, such as cutting and filling will cause slope failures or landslides? Are adequate measures considered to prevent slope failures or landslides? (d) Is there a possibility that soil runoff will result from cut and fill areas, waste soil disposal sites, and borrow sites? Are adequate measures taken to prevent soil runoff?	(a) N/A (b) N/A (c) N/A (d) N/A	(a)(b)(c)(d) The order of the magnitude of potential impact regarding the topography and geography is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
4 Social Environment	(1) Resettlement and land acquisition	(a) Is involuntary resettlement or land acquisition caused by project implementation? If they are caused, are efforts made to minimize the impacts caused by the resettlement? (b) Is adequate explanation on compensation and assistance related to resettlement and land acquisition given to affected people prior to the resettlement? (c) Is the resettlement or land acquisition plan, including compensation with full replacement costs, restoration of livelihoods and living standards, developed based on socioeconomic studies on resettlement and land acquisition? (d) Are the compensations going to be paid prior to the resettlement and land acquisition? (e) Is the compensation policies prepared in document? (f) Does the resettlement or land acquisition plan pay particular attention to vulnerable groups or people, including women, children, the elderly, people below the poverty line, ethnic minorities, and indigenous peoples? (g) Are agreements with the affected people obtained prior to the resettlement and land acquisition? (h) Is the organizational framework established to properly implement resettlement and land acquisition? Are the capacity and budget secured to implement the plan? (i) Are any plans developed to monitor the impacts of resettlement and land acquisition? (j) Is the grievance redress mechanism established?	(a) N/A (b) N/A (c) N/A (d) N/A (e) N/A (f) N/A (g) N/A (h) N/A (i) N/A (j) N/A	(a)(b)(c)(d)(e)(f)(g)(h)(i)(j) The order of the magnitude of potential impact regarding the resettlement and land acquisition is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

Category	Environmental Item	Main Check Items	Yes: Y No: N	Confirmation of Environmental Considerations (Reasons, Mitigation Measures)
	(2) Living and Livelihood	(a) Is there any possibility that the project will adversely affect the living conditions of the inhabitants other than the target population? Are adequate measures considered to reduce the impacts, if necessary? (b) Is there any possibility that diseases, including infectious diseases, such as HIV will be brought due to immigration of workers associated with the project? Are adequate considerations given to public health, if necessary? (c) Is there any possibility that the project will adversely affect road traffic in the surrounding areas (e.g., increase of traffic congestion and traffic accidents)? (d) Is there any possibility that roads will impede the movement of inhabitants? (e) Is there any possibility that structures associated with roads (such as bridges) will cause a sun shading and radio interference?	(a) N/A (b) N/A (c) N/A (d) N/A (e) N/A	(a)(b)(c)(d)(e) The order of the magnitude of potential impact regarding the living and livelihood is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(3) Heritage	(a) Is there a possibility that the project will damage the local archeological, historical, cultural, and religious heritage? Are adequate measures considered to protect these sites in accordance with the country's laws?	(a) N/A	(a) The order of the magnitude of potential impact regarding the heritage is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(4) Landscape	(a) Is there a possibility that the project will adversely affect the local landscape? Are necessary measures taken?	(a) N/A	(a) The order of the magnitude of potential impact regarding the landscape is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(5) Ethnic Minorities and Indigenous Peoples	(a) Are considerations given to reduce impacts on the culture and lifestyle of ethnic minorities and indigenous peoples? (b) Are all of the rights of ethnic minorities and indigenous peoples in relation to land and resources respected?	(a) N/A (b) N/A	(a)(b) The order of the magnitude of potential impact regarding the ethnic minorities and indigenous people is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

Category	Environmental Item	Main Check Items	Yes: Y No: N	Confirmation of Environmental Considerations (Reasons, Mitigation Measures)
	(6) Working Conditions	(a) Is the project proponent not violating any laws and ordinances associated with the working conditions of the country which the project proponent should observe in the project? (b) Are tangible safety considerations in place for individuals involved in the project, such as the installation of safety equipment which prevents industrial accidents, and management of hazardous materials? (c) Are intangible measures being planned and implemented for individuals involved in the project, such as the establishment of a safety and health program, and safety training (including traffic safety and public health) for workers? (d) Are appropriate measures taken to ensure that security guards involved in the project not to violate safety of other individuals involved, or local residents?	(a) N/A (b) N/A (c) N/A (d) N/A	(a)(b)(c)(d) The order of the magnitude of potential impact regarding the working condition is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
5 Others	(1) Impacts during Construction	(a) Are adequate measures considered to reduce impacts during construction (e.g., noise, vibrations, turbid water, dust, exhaust gases, and wastes)? (b) If construction activities adversely affect the natural environment (ecosystem), are adequate measures considered to reduce impacts? (c) If construction activities adversely affect the social environment, are adequate measures considered to reduce impacts?	(a) N/A (b) N/A (c) N/A	(a)(b)(c) The order of the magnitude of potential impact during Construction is not examined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.
	(2) Monitoring	(a) Does the proponent develop and implement monitoring program for the environmental items that are considered to have potential impacts? (b) What are the items, methods and frequencies of the monitoring program? (c) Does the proponent establish an adequate monitoring framework (organization, personnel, equipment, and adequate budget to sustain the monitoring framework)? (d) Are any regulatory requirements pertaining to the monitoring report system identified, such as the format and frequency of reports from the proponent to the regulatory authorities?	(a) N/A (b) –N/A (c) N/A (d) N/A	(a)(b)(c)(d) Environmental Management program including monitoring program is not developed yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

[Legend] ARAP: Abbreviated Resettlement Action Plan, EF: Environmental Framework, LGED: Local Government Engineering Division, RPF: Resettlement Policy Framework

1) Regarding the term "Country's Standards" mentioned in the above table, if environmental standards in the country where the project is located diverge significantly from international standards, then appropriate environmental considerations must be made. In cases where local environmental regulations are yet to be established in some areas, considerations should be made based on comparisons with appropriate standards of other countries (including Japan's experience).

2) Environmental checklist provides general environmental items to be checked. It may be necessary to add or delete an item taking into account the characteristics of the project and the particular circumstances of the country and locality in which the project is located.

Appendix 2.5 Environmental Screening Format

Screening Format

Name of Proposed Project:

Project Executing Organization, Project Proponent. or Investment Company:

Name, Address, Organization, and Contact Point of a Responsible Officer:

Name:	Mr. Md. Shah Kamal, Local Government Division
Address:	Building 7, Bangladesh Secretariat Dhaka-1000
Organization:	Ministry of Local Government, Rural Development & Cooperative
Tel:	88-02-9575557
Fax:	88-02-9575574
E-Mail:	shahkml@yahoo,com
Date:	
Signature:	

Check Items

Please write "to be advised (TBA)" when the details of a project are yet to be determined.

Question 1: Address of project site

Location of Project site is not determined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

Question 2: Scale and contents of the project (approximate area, facilities area, production, electricity generated, etc.)

2-1. Project profile (scale and contents)

Project profile is not determined yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase. Basically, development projects are to be selected by each Upazila Parishad with the budget ceiling of six million BDT every year. It is noted that each Upazila shall select development project based on the positive list, developed within this study, and this positive list is designed in order not to select "Category-A (see Appendix A)" projects, specified within JICA Guidelines for Environmental and Social Considerations.

2-2. How was the necessity of the project confirmed?

　　Is the project consistent with the higher program/policy?

　　　　☑YES: Please describe the higher program/policy.

　　　　（This project is consistent with 5-Year Plan and/or Perspective Plan 　　　　　）

　　　　□NO

2-3. Did the proponent consider alternatives before this request?

　　　　□YES: Please describe outline of the alternatives

　　　　（　　　　　　　　　　　　　　　　　　　　　　　　　　　　　　）

　　　　☑NO

2-4. Did the proponent implement meetings with the related stakeholders before this

　　request?

　　　　☑ Implemented　　　□Not implemented

　　　　If implemented, please mark the following stakeholders.

　　　　　☑　Administrative body

　　　　　□Local residents

　　　　　□NGO

　　　　　□Others（　　　　　　　　　　　　　　　　　　　　　　　　　）

2-5 Does the project include any of the following items?

　　Yes　　　　　No

N/A. Project profile and the scale of relevant involuntary resettlement and others are not summarized yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

<u>If yes</u>, please mark the items included in the project.

Involuntary resettlement　　　(scale:　　　　Households　　　persons)

Groundwater pumping　　　(scale:　　　　m3/year)

Land reclamation, land development, and/or land-clearing (scale:　　　hectors)

Logging　　　　(scale:　　　　hectors)

Question 3:

Is the project a new one or an ongoing one? In the case of an ongoing project, have you received strong complaints or other comments from local residents?

(New)　　Ongoing (with complaints)　　Ongoing (without complaints)

Other

Question 4:

Is an Environmental Impact Assessment (EIA), including an Initial Environmental Examination (IEE) Is, required for the project according to a law or guidelines of a host country? If yes, is EIA implemented or planned? If necessary, please fill in the reason why EIA is required.

☐Necessity　(☐Implemented　☐Ongoing/planning)

(Reason why EIA is required:　　　　　　　　　　　　　　)

☐Not necessary

☑Other (please explain)

As mentioned above, the project profile is not determined yet. If the selected project is categorized into Orange B Category, IEE is required. If categorized into Red Category, EIA is required.

Question 5:

In the case that steps were taken for an EIA, was the EIA approved by the relevant laws of the

host country? If yes, please note the date of approval and the competent authority.

Approved without a supplementary condition	Approved with a supplementary condition	Under appraisal

(Date of approval: Competent authority:)

Under implementation

Appraisal process not yet started

Other (N/A   )

Question 6:

If the project requires a certificate regarding the environment and society other than an EIA,

please indicate the title of said certificate. Was it approved?

Already certified

Title of the certificate: (   )

Requires a certificate but not yet

approved Not required

Other | As mentioned above, project profile is not determined yet. If selected project is categorized into "Classification of industrial units or projects based on its location and impact on environment (Schedule 1 of ECR97)", Environmental Clearance Certificate (ECC) shall be obtained. |

Question 7:

Are any of the following areas present either inside or surrounding the project

site? Yes No

N/A. Project profile is not determined yet, so that the information, mentioned below, are not summarized yet due to the following reasons: 1) Detailed designs of subproject under Component 1 have not been determined at the preparatory survey phase; and 2) Subprojects under Subcomponent 2-1 are not selected at the preparatory survey phase.

If yes, please mark the corresponding items.

National parks, protection areas designated by the government (coastline, wetlands, reserved area for ethnic or indigenous people, cultural heritage)

Primeval forests, tropical natural forests

Ecologically important habitats (coral reefs, mangrove wetlands, tidal flats, etc.)

Habitats of endangered species for which protection is required under local laws and/or international treaties

Areas that run the risk of a large scale increase in soil salinity or soil erosion

Remarkable desertification areas

Areas with special values from an archaeological, historical, and/or cultural points of view

Habitats of minorities, indigenous people, or nomadic people with a traditional

lifestyle, or areas with special social value

Question 8:

Please mark related environmental and social impacts, and describe their outlines.

☑Air pollution

☑Water pollution

☑Soil pollution

☑Waste

☑Noise and vibrations

☑Ground subsidence

☐Offensive odors

☐Geographical features

☑Bottom sediment

☑Biota and ecosystems

☑Water usage

☑Accidents

☐Global warming

☑Involuntary resettlement

☑Local economies, such as employment, livelihood, etc.

☑Land use and utilization of local resources

☑ Social institutions such as social infrastructure and local decision-making institutions

☑Existing social infrastructures and services

☐Poor, indigenous, or ethnic people

☑Misdistribution of benefits and damages

☑Local conflicts of interest

☐Limitation of accessibility to information, meetings, etc. on a specific person or group

☐Gender

☐Children's rights

☐Cultural heritage

☐Infectious diseases such as HIV/AIDS

☐Other (   )

Outline of related impact:

Question 9:

In the case of a loan project such as a two-step loan or a sector loan, can sub-projects be specified at the present time?

☐Yes   ☑No

Question 10:

Regarding information disclosure and meetings with stakeholders, if JICA's environmental and social considerations are required, does the proponent agree to information disclosure and meetings with stakeholders through these guidelines?

☑Yes   ☐No

Appendix 3. Cost Estimates

Appendix 3. Cost Estimation
Appendix 3.1   Cost Breakdown of Component 1

Activity	Unit Cost ('000 BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
1.1 Upazila Development for Improving Service Delivery-I						
Fiscal Transfer - 1st year	4,050	100	Upazila	405,000	623,700	- For 100 Upazilas, 5,000,000 BDT x 0.81 in FY2016
1.2 Upazila Development for Improving Service Delivery-II						
Fiscal Transfer - 2nd year	4,030	200	Upazila	806,000	1,241,240	- For 180 Upazilas: 5,000,000 BDT x 0.81 in FY 2017 - For 20 Upazilas: 4,750,000 BDT x 0.81 in FY 2017 (200 Upazilas in total.)
1.3 Upazila Development for Improving Service Delivery-III						
Fiscal Transfer - 3rd year	4,030	300	Upazila	1,209,000	1,861,860	- For 270 Upazilas: 5,000,000 BDT x 0.81 in FY 2018 - For 30 Upazilas: 4,750,000 BDT x 0.81 in FY 2018 - (300 Upazila in total)
1.4 Upazila Development for Improving Service Delivery-IV						
Fiscal Transfer - 4th year	4,030	400	Upazila	1,612,000	2,482,480	- For 360 Upazilas: 5,000,000 BDT x 0.81 in FY 2019 - For 40 Upazilas: 4,750,000 BDT x 0.81 in FY 2019 - (400 Upazila in total)
1.5 Upazila Development for Improving Service Delivery-V						
Fiscal Transfer - 5th year	4,030	489	Upazila	1,970,670	3,034,832	- For 440 Upazilas: 5,000,000 BDT x 0.81 in FY 2020 - For 49 Upazilas: 4,750,000 BDT x 0.81 in FY 2020 - (489 Upazila in total)
Total				**6,002,670**	**9,244,112**	

Appendix 3.2 Cost Breakdown of Component 2: Capacity Development and Governance Improvement

Activity	Unit Cost ('000 BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
2.1 Capacity Development						
(1) Training	223,208	1	Year	223,208	343,740	- Refer to Appendix 3.2.1 for details
(2) Environmental Training	5,961	1	Year	5,961	9,180	- Refer to Appendix 3.2.2 for details
			Sub-total:	229,169	352,920	
2.2 Upazila Governance Improvement Action Program						
(1) UDF (personnel 1)						
- Upazila Development Facilitator - I	50	6,000	MM	300,000	462,000	- 50,000 BDT/MM, 100 UDFs, 5 years (=60months)
- Miscellaneous for UDF activity (Fuel, Copy, statioery, etc.) - I	2	6,000	MM	12,000	18,480	- 2,000 BDT for miscellenious expenditure, including copy, fuel, etc.
(2) UDF (personnel 2)						
- Upazila Development Facilitator - II	50	4,800	MM	240,000	369,600	- 50,000 BDT/MM, 100 UDFs, 4 years (=48months)
- Miscellaneous for UDF activity (Fuel, Copy, statioery, etc.) - II	2	4,800	MM	9,600	14,784	- 2,000 BDT for miscellenious expenditure, including copy, fuel, etc.
(3) UDF (Equipment 1)						
- Motorcycle-1	114	100	Nos	11,400	17,556	- for UDF -1
- Laptop PC-1	40	100	Nos	4,000	6,160	
- Security Software-1	4	100	Nos	400	616	
- Microsoft Office-1	17	100	Nos	1,700	2,618	
- Digital Camera-1	28	100	Nos	2,800	4,312	
- Mobile Internet Modem-1	2	100	Nos	200	308	
(4) UDF (Equipment 2)						
- Motorcycle-2	114	100	Nos	11,400	17,556	- for UDF -2
- Laptop PC-2	40	100	Nos	4,000	6,160	
- Security Software-2	4	200	Nos	800	1,232	- for both UDF-1 & 2 (annual License)
- Microsoft Office-2	17	100	Nos	1,700	2,618	
- Digital Camera-2	28	100	Nos	2,800	4,312	
- Mobile Internet Modem-2	2	100	Nos	200	308	
(5) UDF (Equipment 3)						
- Security Software-3	4	200	Nos	800	1,232	- for both UDF-1 & 2 (annual License)
(6) UDF (Equipment 4)						
- Security Software-4	4	200	Nos	800	1,232	- for both UDF-1 & 2 (annual License)
(7) UDF (Equipment 5)						
- Security Software-5	4	200	Nos	800	1,232	- for both UDF-1 & 2 (annual License)
			Sub-total:	605,400	932,316	
2.3 Upazila Parishad Sector Reform						
(1) Miscellaneous (Copy, Transportation, etc.)	2	60	Month	108	166	- for meeting, documentation to support in preparation
			Sub-total:	108	166	
			Total:	**834,677**	**1,285,403**	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
A1 **Upazila Development Facilitators (UDF) Pre-dispatch Training- Round 1**						
(1) Daily allowance for Participants	750	500	MD	375	578	- UDFs will participate in this training before their dispatch.
(2) Travel allowance for Participants	2,000	100	person	200	308	- 50 UDF are targeted in each batch
(3) Food & refreshment	1	205,000	MD	205	316	- 2 times / year (Total 2 years)
(4) Venue charge	5,000	2	Day	10	15	- 5 days / time
(5) Equipment charge	7,500	2	L.S.	15	23	- 1 venue / training
(6) Course management including support service	25,000	2	L.S.	50	77	- All unit costs are decided with reference to "LGSP2 Training of URT"
(7) Resource person honorarium	1,200	50	Unit x Day	60	92	
(8) Training Material	800	100	person	80	123	
(9) Training module and manual	800	25	person	20	31	
(10) Certificate	100	100	person	10	15	
(11) Banner	3,000	2	L.S.	6	9	
(12) Miscellaneous	7,000	2	L.S.	14	22	
			Sub-total:	1,045	1,609	
A1 **Upazila Development Facilitators (UDF) Pre-dispatch Training- Round 2**						
(1) Daily allowance for Participants	750	500	MD	375	578	- UDFs will participate in this training before their dispatch.
(2) Travel allowance for Participants	2,000	100	person	200	308	- 50 UDF are targeted in each batch
(3) Food & refreshment	1	205,000	MD	205	316	This is pre-dispatch training for UDF
(4) Venue charge	5,000	2	Day	10	15	- 2 times / year (Total 2 years)
(5) Equipment charge	7,500	2	L.S.	15	23	- 5 days / time
(6) Course management including support service	25,000	2	L.S.	50	77	- 1 venue / training
(7) Resource person honorarium	1,200	50	Unit x Day	60	92	
(8) Training Material	800	100	person	80	123	
(9) Training module and manual	800	25	person	20	31	
(10) Certificate	100	100	person	10	15	
(11) Banner	3,000	2	L.S.	6	9	
(12) Miscellaneous	7,000	2	L.S.	14	22	
			Sub-total:	1,045	1,609	
A2 **UDF Refresher Training After Dispatch**						
(1) Daily allowance for Participants	750	300	MD	225	347	- This is refresher training for UDF after dispatch
(2) Travel allowance for Participants	2,000	100	person	200	308	- 50 UDF are targeted in each training
(3) Food & refreshment	1	123,000	MD	123	189	- 2 times / year
(4) Venue charge	5,000	2	L.S.	10	15	- 3 days / time
(5) Equipment charge	7,500	2	L.S.	15	23	- 1 venue / training
(6) Course management including support service	25,000	2	L.S.	50	77	
(7) Resource person honorarium	1,200	30	MD	36	55	
(8) Training Material	800	100	person	80	123	
(9) Training module and manual	800	10	person	8	12	
(10) Certificate	100	100	person	10	15	
(11) Banner	3,000	2	L.S.	6	9	
(12) Miscellaneous	7,000	2	L.S.	14	22	
			Sub-total:	777	1,197	
A3 **UPZ Wing Strengthening Training (Training in Japan)**						
(1) Miscellaneous			L.S.	10,000	15,400	10,000,000 JPY
			Sub-total:	10,000	15,400	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
A4 Project Orientations in LGD						
(1) Daily allowance for Participants	750	30	MD	23	35	- 30 relevant staffs in LGD are targeted
(2) Travel allowance for Participants	2,000	0	person	0	0	- 1 time / year (Total one year)
(3) Food & refreshment	1	34,200	MD	34	53	- 1 day / time
(4) Venue charge	5,000	1	L.S.	5	8	- 1 venue / training
(5) Equipment charge	7,500	0	L.S.	0	0	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	0	L.S.	0	0	
(7) Resource person honorarium	1,200	2	MD	2	4	
(8) Training Material	800	30	person	24	37	
(9) Training module and manual	800	0	person	0	0	
(10) Certificate	100	0	person	0	0	
(11) Banner	3,000	0	L.S.	0	0	
(12) Miscellaneous	7,000	0	L.S.	0	0	
			Sub-total:	88	136	
A4 Project Orientations in LGD -Refresher						
(1) Daily allowance for Participants	750	30	MD	23	35	- 30 relevant staffs in LGD are targeted
(2) Travel allowance for Participants	2,000	0	person	0	0	- 1 time / year (Total one year)
(3) Food & refreshment	1	34,200	MD	34	53	- 1 day / time
(4) Venue charge	5,000	1	L.S.	5	8	- 1 venue / training
(5) Equipment charge	7,500	0	L.S.	0	0	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	0	L.S.	0	0	
(7) Resource person honorarium	1,200	2	MD	2	4	
(8) Training Material	800	30	person	24	37	
(9) Training module and manual	800	0	person	0	0	
(10) Certificate	100	0	person	0	0	
(11) Banner	3,000	0	L.S.	0	0	
(12) Miscellaneous	7,000	0	L.S.	0	0	
			Sub-total:	88	136	
A5 Training of Trainers (TOT) for Training Partners						
(1) Daily allowance for Participants	750	500	MD	375	578	- 50 Master Trainers in training institutes are targeted in each batch
(2) Travel allowance for Participants	2,000	100	person	200	308	- 2 time / year (Total one year)
(3) Food & refreshment	1	205,000	MD	205	316	- 5 days / time
(4) Venue charge	5,000	2	L.S.	10	15	- 1 venue / training
(5) Equipment charge	7,500	2	L.S.	15	23	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	2	L.S.	50	77	
(7) Resource person honorarium	1,200	50	MD	60	92	
(8) Training Material	800	100	person	80	123	
(9) Training module and manual	800	10	person	8	12	
(10) Certificate	100	100	person	10	15	
(11) Banner	3,000	2	L.S.	6	9	
(12) Miscellaneous	7,000	2	L.S.	14	22	
			Sub-total:	1,033	1,591	
A6 Procurement Rules						
			L. S.	100	154	
			Sub-total:	100	154	
			Total:	**14,176**	**21,831**	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
B1 Orientation for Supervisors (DLG/DDLG)						
(1) Daily allowance for Participants	750	142	MD	107	164	- 71 DDLG/DLG are targeted
(2) Travel allowance for Participants	2,000	142	person	284	437	- 1 time / year (Total one year)
(3) Food & refreshment	1	75,260	MD	75	116	- 2 days / time
(4) Venue charge	5,000	1	Day	5	8	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	1,200	8	Unit x Day	10	15	
(8) Training Material	800	71	person	57	87	
(9) Training module and manual	800	8	person	6	10	
(10) Certificate	100	71	person	7	11	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	7,000	1	L.S.	7	11	
			Sub-total:	594	914	
B2 Basic Training for UPZ Plan & Servoce Delivery -Round 1						
(1) Daily allowance for Participants	750	18,000	MD	13,500	20,790	- some officials, Chair and Vice Chair etc from All UPZ to be trained
(2) Travel allowance for Participants	2,000	3,600	person	7,200	11,088	- 45 time / year
(3) Food & refreshment	1	12,240,000	MD	12,240	18,850	- 5 days / time
(4) Venue charge	5,000	45	L.S.	225	347	- 1 venue / training
(5) Equipment charge	7,500	45	L.S.	338	520	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	45	L.S.	1,125	1,733	
(7) Resource person honorarium	1,200	1,125	MD	1,350	2,079	
(8) Training Material	800	3,600	person	2,880	4,435	
(9) Training module and manual	800	25	person	20	31	
(10) Certificate	100	3,600	person	360	554	
(11) Banner	3,000	45	L.S.	135	208	
(12) Miscellaneous	7,000	45	L.S.	315	485	
			Sub-total:	39,688	61,119	
B2 Basic Training for UPZ Plan & Servoce Delivery -Round 2						
(1) Daily allowance for Participants	750	18,000	MD	13,500	20,790	- some officials, Chair and Vice Chair etc from All UPZ to be trained
(2) Travel allowance for Participants	2,000	3,600	person	7,200	11,088	- 45 time / year
(3) Food & refreshment	1	12,240,000	MD	12,240	18,850	- 5 days / time
(4) Venue charge	5,000	45	L.S.	225	347	- 1 venue / training
(5) Equipment charge	7,500	45	L.S.	338	520	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	45	L.S.	1,125	1,733	
(7) Resource person honorarium	1,200	1,125	MD	1,350	2,079	
(8) Training Material	800	3,600	person	2,880	4,435	
(9) Training module and manual	800	25	person	20	31	
(10) Certificate	100	3,600	person	360	554	
(11) Banner	3,000	45	L.S.	135	208	
(12) Miscellaneous	7,000	45	L.S.	315	485	
			Sub-total:	39,688	61,119	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
B2 (b) Basic Training for UPZ Plan & Servoce Delivery (for new comers)						
(1) Daily allowance for Participants	750	18,000	MD	13,500	20,790	- 100 UPZ are targeted in round-3 : 100 participants
(2) Travel allowance for Participants	2,000	3,600	person	7,200	11,088	- 1 time / year
(3) Food & refreshment	1	12,240,000	MD	12,240	18,850	- 5 days / time
(4) Venue charge	5,000	45	L.S.	225	347	- 1 venue / training
(5) Equipment charge	7,500	45	L.S.	338	520	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	45	L.S.	1,125	1,733	
(7) Resource person honorarium	1,200	1,125	MD	1,350	2,079	
(8) Training Material	800	3,600	person	2,880	4,435	
(9) Training module and manual	800	25	person	20	31	
(10) Certificate	100	3,600	person	360	554	
(11) Banner	3,000	45	L.S.	135	208	
(12) Miscellaneous	7,000	45	L.S.	315	485	
			Sub-total:	39,688	61,119	
B3 Special Training for Project Formulation, Management and Monitoring -Round 1						
(1) Daily allowance for Participants	750	1,200	MD	900	1,386	- 4 people from 20 UPZs are targeted in each batches
(2) Travel allowance for Participants	2,000	400	person	800	1,232	- 5 times / year
(3) Food & refreshment	1	816,000	MD	816	1,257	- 3 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	5	L.S.	38	58	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	5	L.S.	125	193	
(7) Resource person honorarium	1,200	75	MD	90	139	
(8) Training Material	800	400	person	320	493	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	400	person	40	62	
(11) Banner	3,000	5	L.S.	15	23	
(12) Miscellaneous	7,000	5	L.S.	35	54	
	2.68					
			Sub-total:	3,216	4,952	
B3 Special Training for Project Formulation, Management and Monitoring -Round 2						
(1) Daily allowance for Participants	750	1,200	MD	900	1,386	- 4 people from 20 UPZs are targeted in each batches
(2) Travel allowance for Participants	2,000	400	person	800	1,232	- 5 times / year
(3) Food & refreshment	1	816,000	MD	816	1,257	- 3 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	5	L.S.	38	58	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	5	L.S.	125	193	
(7) Resource person honorarium	1,200	75	MD	90	139	
(8) Training Material	800	400	person	320	493	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	400	person	40	62	
(11) Banner	3,000	5	L.S.	15	23	
(12) Miscellaneous	7,000	5	L.S.	35	54	
			Sub-total:	3,216	4,952	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
B3 **Special Training for Project Formulation, Management and Monitoring -Round 3**						
(1) Daily allowance for Participants	750	1,200	MD	900	1,386	- 4 people from 20 UPZs are targeted in each batches
(2) Travel allowance for Participants	2,000	400	person	800	1,232	- 5 times / year
(3) Food & refreshment	1	816,000	MD	816	1,257	- 3 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	5	L.S.	38	58	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	5	L.S.	125	193	
(7) Resource person honorarium	1,200	75	MD	90	139	
(8) Training Material	800	400	person	320	493	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	400	person	40	62	
(11) Banner	3,000	5	L.S.	15	23	
(12) Miscellaneous	7,000	5	L.S.	35	54	
			Sub-total:	3,216	4,952	
B3 **Special Training for Project Formulation, Management and Monitoring -Round 4**						
(1) Daily allowance for Participants	750	1,200	MD	900	1,386	- 4 people from 20 UPZs are targeted in each batches
(2) Travel allowance for Participants	2,000	400	person	800	1,232	- 5 times / year
(3) Food & refreshment	1	816,000	MD	816	1,257	- 3 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	5	L.S.	38	58	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	5	L.S.	125	193	
(7) Resource person honorarium	1,200	75	MD	90	139	
(8) Training Material	800	400	person	320	493	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	400	person	40	62	
(11) Banner	3,000	5	L.S.	15	23	
(12) Miscellaneous	7,000	5	L.S.	35	54	
			Sub-total:	3,216	4,952	
B3 **Special Training for Project Formulation, Management and Monitoring -Round 5**						
(1) Daily allowance for Participants	750	1,200	MD	900	1,386	- 4 people from 20 UPZs are targeted in each batches (10 UPZs in 5th batch only)
(2) Travel allowance for Participants	2,000	400	person	800	1,232	- 5 times / year
(3) Food & refreshment	1	816,000	MD	816	1,257	- 3 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	5	L.S.	38	58	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	5	L.S.	125	193	
(7) Resource person honorarium	1,200	75	MD	90	139	
(8) Training Material	800	400	person	320	493	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	400	person	40	62	
(11) Banner	3,000	5	L.S.	15	23	
(12) Miscellaneous	7,000	5	L.S.	35	54	
			Sub-total:	3,216	4,952	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
B3 (b) B3 for Reflesher and Newly assigned -Round 1						
(1) Daily allowance for Participants	750	240	MD	180	277	- For Newly assigned and Reflesher
(2) Travel allowance for Participants	2,000	80	person	160	246	- 1 time / year
(3) Food & refreshment	1	163,200	MD	163	251	- 3 days / time
(4) Venue charge	5,000	1	L.S.	5	8	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	1,200	15	MD	18	28	
(8) Training Material	800	80	person	64	99	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	80	person	8	12	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	7,000	1	L.S.	7	11	
	2.7208					
			Sub-total:	653	1,006	
B3 (b) B3 for Reflesher and Newly assigned -Round 2						
(1) Daily allowance for Participants	750	240	MD	180	277	- For Newly assigned and Reflesher
(2) Travel allowance for Participants	2,000	80	person	160	246	- 1 time / year
(3) Food & refreshment	1	163,200	MD	163	251	- 3 days / time
(4) Venue charge	5,000	1	L.S.	5	8	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	1,200	15	MD	18	28	
(8) Training Material	800	80	person	64	99	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	80	person	8	12	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	7,000	1	L.S.	7	11	
			Sub-total:	653	1,006	
B3 (b) B3 for Reflesher and Newly assigned -Round 3						
(1) Daily allowance for Participants	750	240	MD	180	277	- For Newly assigned and Reflesher
(2) Travel allowance for Participants	2,000	80	person	160	246	- 1 time / year
(3) Food & refreshment	1	163,200	MD	163	251	- 3 days / time
(4) Venue charge	5,000	1	L.S.	5	8	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	1,200	15	MD	18	28	
(8) Training Material	800	80	person	64	99	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	80	person	8	12	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	7,000	1	L.S.	7	11	
			Sub-total:	653	1,006	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
B3 (b) B3 for Reflesher and Newly assigned -Round 4						
(1) Daily allowance for Participants	750	240	MD	180	277	- For Newly assigned and Reflesher
(2) Travel allowance for Participants	2,000	80	person	160	246	- 1 time / year
(3) Food & refreshment	1	163,200	MD	163	251	- 3 days / time
(4) Venue charge	5,000	1	L.S.	5	8	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	1,200	15	MD	18	28	
(8) Training Material	800	80	person	64	99	
(9) Training module and manual	800	15	person	12	18	
(10) Certificate	100	80	person	8	12	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	7,000	1	L.S.	7	11	
			Sub-total:	653	1,006	
B4 Proposal Writing						
(1) Daily allowance for Participants (at Upazila)	250	1,700	MD	425	655	- Trainer trained in B3 and B3 (b) train relevant staffs at their UPZ (all UPZ)
(2) Travel allowance for Participants	100	1,700	person	170	262	- 1 time / year
(3) Food & refreshment (at Upazila)	1	560,000	MD	560	862	- 3 days / time
(4) Venue charge	1,500	100	L.S.	150	231	- 1 venue / training
(5) Logistics Class Room	3,000	100	L.S.	300	462	- Training Material provided in B3 will be used as Training Manual
(6) Equipment charge	7,500	0	L.S.	0	0	- All unit costs are decided with reference to "LGSP2 Training of URT"
(7) Course management including support service	25,000	0	L.S.	0	0	
(8) Resource person honorarium	850	500	MD	425	655	
(9) Course Director	4,500	100	MD	450	693	
(10) Course Coordinator	3,000	100	MD	300	462	
(11) Training Material	100	2,000	person	200	308	
(12) Training module and manual	800	0	person	0	0	
(13) Certificate	100	1,700	person	170	262	
(14) Banner	3,000	100	L.S.	300	462	
(15) Miscellaneous	1,000	100	L.S.	100	154	
			Sub-total:	3,550	5,467	
B4 Proposal Writing						
(1) Daily allowance for Participants (at Upazila)	250	1,700	MD	425	655	- Trainer trained in B3 and B3 (b) train relevant staffs at their UPZ (all UPZ)
(2) Travel allowance for Participants	100	1,700	person	170	262	- 1 time / year
(3) Food & refreshment (at Upazila)	1	560,000	MD	560	862	- 3 days / time
(4) Venue charge	1,500	100	L.S.	150	231	- 1 venue / training
(5) Logistics Class Room	3,000	100	L.S.	300	462	- Training Material provided in B3 will be used as Training Manual
(6) Equipment charge	7,500	0	L.S.	0	0	- All unit costs are decided with reference to "LGSP2 Training of URT"
(7) Course management including support service	25,000	0	L.S.	0	0	
(8) Resource person honorarium	850	500	MD	425	655	
(9) Course Director	4,500	100	MD	450	693	
(10) Course Coordinator	3,000	100	MD	300	462	
(11) Training Material	100	2,000	person	200	308	
(12) Training module and manual	800	0	person	0	0	
(13) Certificate	100	1,700	person	170	262	
(14) Banner	3,000	100	L.S.	300	462	
(15) Miscellaneous	1,000	100	L.S.	100	154	
			Sub-total:	3,550	5,467	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
B4 **Proposal Writing**						
(1) Daily allowance for Participants (at Upazila)	250	1,700	MD	425	655	- Trainer trained in B3 and B3 (b) train relevant staffs at their UPZ (all UPZ)
(2) Travel allowance for Participants	100	1,700	person	170	262	- 1 time / year
(3) Food & refreshment (at Upazila)	1	560,000	MD	560	862	- 3 days / time
(4) Venue charge	1,500	100	L.S.	150	231	- 1 venue / training
(5) Logistics Class Room	3,000	100	L.S.	300	462	- Training Material provided in B3 will be used as Training Manual
(6) Equipment charge	7,500	0	L.S.	0	0	- All unit costs are decided with reference to "LGSP2 Training of URT"
(7) Course management including support service	25,000	0	L.S.	0	0	
(8) Resource person honorarium	850	500	MD	425	655	
(9) Course Director	4,500	100	MD	450	693	
(10) Course Coordinator	3,000	100	MD	300	462	
(11) Training Material	100	2,000	person	200	308	
(12) Training module and manual	800	0	person	0	0	
(13) Certificate	100	1,700	person	170	262	
(14) Banner	3,000	100	L.S.	300	462	
(15) Miscellaneous	1,000	100	L.S.	100	154	
			Sub-total:	3,550	5,467	
B4 **Proposal Writing**						
(1) Daily allowance for Participants (at Upazila)	250	1,700	MD	425	655	- Trainer trained in B3 and B3 (b) train relevant staffs at their UPZ (all UPZ)
(2) Travel allowance for Participants	100	1,700	person	170	262	- 1 time / year
(3) Food & refreshment (at Upazila)	1	560,000	MD	560	862	- 3 days / time
(4) Venue charge	1,500	100	L.S.	150	231	- 1 venue / training
(5) Logistics Class Room	3,000	100	L.S.	300	462	- Training Material provided in B3 will be used as Training Manual
(6) Equipment charge	7,500	0	L.S.	0	0	- All unit costs are decided with reference to "LGSP2 Training of URT"
(7) Course management including support service	25,000	0	L.S.	0	0	
(8) Resource person honorarium	850	500	MD	425	655	
(9) Course Director	4,500	100	MD	450	693	
(10) Course Coordinator	3,000	100	MD	300	462	
(11) Training Material	100	2,000	person	200	308	
(12) Training module and manual	800	0	person	0	0	
(13) Certificate	100	1,700	person	170	262	
(14) Banner	3,000	100	L.S.	300	462	
(15) Miscellaneous	1,000	100	L.S.	100	154	
			Sub-total:	3,550	5,467	
B4 **Proposal Writing**						
(1) Daily allowance for Participants (at Upazila)	250	8,330	MD	2,083	3,207	- Trainer trained in B3 and B3 (b) train relevant staffs at their UPZ (all UPZ)
(2) Travel allowance for Participants	100	8,330	person	833	1,283	- 1 time / year
(3) Food & refreshment (at Upazila)	1	2,744,000	MD	2,744	4,226	- 3 days / time
(4) Venue charge	1,500	490	L.S.	735	1,132	- 1 venue / training
(5) Logistics Class Room	3,000	490	L.S.	1,470	2,264	- Training Material provided in B3 will be used as Training Manual
(6) Equipment charge	7,500	0	L.S.	0	0	- All unit costs are decided with reference to "LGSP2 Training of URT"
(7) Course management including support service	25,000	0	L.S.	0	0	
(8) Resource person honorarium	850	2,450	MD	2,083	3,207	
(9) Course Director	4,500	490	MD	2,205	3,396	
(10) Course Coordinator	3,000	490	MD	1,470	2,264	
(11) Training Material	100	9,800	person	980	1,509	
(12) Training module and manual	800	0	person	0	0	
(13) Certificate	100	8,330	person	833	1,283	
(14) Banner	3,000	490	L.S.	1,470	2,264	
(15) Miscellaneous	1,000	490	L.S.	490	755	
			Sub-total:	17,395	26,789	

Appendix 3.2.1 Cost Breakdown of Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
B6 Training for Non-Eligible Upazilas -Round 1						
(1) Daily allowance for Participants	750	7,200	MD	5,400	8,316	- Non-eligible UPZ are targeted
(2) Travel allowance for Participants	2,000	2,400	person	4,800	7,392	- 1 time / year
(3) Food & refreshment	1	4,896,000	MD	4,896	7,540	- 1 day / time
(4) Venue charge	5,000	30	L.S.	150	231	- 3 venues / training
(5) Equipment charge	7,500	30	L.S.	225	347	- 8 trainees/ one UPZ
(6) Course management including support service	25,000	30	L.S.	750	1,155	- 300 UPZ/ year
(7) Resource person honorarium	1,200	450	MD	540	832	- All unit costs are decided with reference to "LGSP2 Training of URT"
(8) Training Material	800	2,400	person	1,920	2,957	
(9) Training module and manual	800	450	person	360	554	
(10) Certificate	100	2,400	person	240	370	
(11) Banner	3,000	30	L.S.	90	139	
(12) Miscellaneous	7,000	30	L.S.	210	323	
			Sub-total:	19,581	30,155	
B6 Training for Non-Eligible Upazilas -Round 2						
(1) Daily allowance for Participants	750	4,800	MD	3,600	5,544	- Non-eligible UPZ are targeted
(2) Travel allowance for Participants	2,000	1,600	person	3,200	4,928	- 1 time / year
(3) Food & refreshment	1	3,264,000	MD	3,264	5,027	- 1 day / time
(4) Venue charge	5,000	20	L.S.	100	154	- 3 venues / training
(5) Equipment charge	7,500	20	L.S.	150	231	- 80 trainees from 10 UPZ (8 trainees/ a UPZ)
(6) Course management including support service	25,000	20	L.S.	500	770	- 200 UPZ/ year
(7) Resource person honorarium	1,200	300	MD	360	554	- All unit costs are decided with reference to "LGSP2 Training of URT"
(8) Training Material	800	1,600	person	1,280	1,971	
(9) Training module and manual	800	300	person	240	370	
(10) Certificate	100	1,600	person	160	246	
(11) Banner	3,000	20	L.S.	60	92	
(12) Miscellaneous	7,000	20	L.S.	140	216	
			Sub-total:	13,054	20,104	
B6 Training for Non-Eligible Upazilas -Round 3						
(1) Daily allowance for Participants	750	2,400	MD	1,800	2,772	- Non-eligible UPZ are targeted
(2) Travel allowance for Participants	2,000	800	person	1,600	2,464	- 1 time / year
(3) Food & refreshment	1	1,632,000	MD	1,632	2,513	- 1 day / time
(4) Venue charge	5,000	10	L.S.	50	77	- 3 venues / training
(5) Equipment charge		10	L.S.	0	0	- 80 trainees from 10 UPZ (8 trainees/ a UPZ)
(6) Course management including support service	25,000	10	L.S.	250	385	- 100 UPZ/ year
(7) Resource person honorarium	1,200	150	MD	180	277	- All unit costs are decided with reference to "LGSP2 Training of URT"
(8) Training Material	800	800	person	640	986	
(9) Training module and manual	800	150	person	120	185	
(10) Certificate	100	800	person	80	123	
(11) Banner	3,000	10	L.S.	30	46	
(12) Miscellaneous	7,000	10	L.S.	70	108	
			Sub-total:	6,452	9,937	
			Total:	**209,032**	**321,908**	
			Grand Total:	**223,208**	**343,740** ('000 BDT)	

Appendix 3.2.2 Cost Breakdown of Environmental Safegurad Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
X.X Training for Environmental Safeguard round-1						
(1) Daily allowance for Participants	750	500	MD	375	578	- 100 UPZ are targeted in round-1 : 100 participants
(2) Travel allowance for Participants	2,000	100	person	200	308	- 1 time / year
(3) Food & refreshment	680	500	MD	340	524	- 5 days / time
(4) Venue charge	5,000	5	Day	25	39	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	13,000	5	Unit x Day	65	100	
(8) Training Material	800	100	person	80	123	
(9) Training module and manual	800	100	person	80	123	
(10) Certificate	100	100	person	10	15	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	10,000	1	L.S.	10	15	
			Sub-total:	1,221	1,880	
X.X Training for Environmental Safeguard round-2						
(1) Daily allowance for Participants	750	500	MD	375	578	- 100 UPZ are targeted in round-2 : 100 participants
(2) Travel allowance for Participants	2,000	100	person	200	308	- 1 time / year
(3) Food & refreshment	680	500	MD	340	524	- 5 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	13,000	5	MD	65	100	
(8) Training Material	800	100	person	80	123	
(9) Training module and manual	800	100	person	80	123	
(10) Certificate	100	100	person	10	15	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	10,000	1	L.S.	10	15	
			Sub-total:	1,221	1,880	
X.X Training for Environmental Safeguard round-3						
(1) Daily allowance for Participants	750	500	MD	375	578	- 100 UPZ are targeted in round-3 : 100 participants
(2) Travel allowance for Participants	2,000	100	person	200	308	- 1 time / year
(3) Food & refreshment	680	500	MD	340	524	- 5 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	13,000	5	MD	65	100	
(8) Training Material	800	100	person	80	123	
(9) Training module and manual	800	100	person	80	123	
(10) Certificate	100	100	person	10	15	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	10,000	1	L.S.	10	15	
			Sub-total:	1,221	1,880	

Appendix 3.2.2 Cost Breakdown of Environmental Safegurad Training

Activity	Unit Cost (BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
X.X Training for Environmental Safeguard round-4						
(1) Daily allowance for Participants	750	500	MD	375	578	- 100 UPZ are targeted in round-4 : 100 participants
(2) Travel allowance for Participants	2,000	100	person	200	308	- 1 time / year
(3) Food & refreshment	680	500	MD	340	524	- 5 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	13,000	5	MD	65	100	
(8) Training Material	800	100	person	80	123	
(9) Training module and manual	800	100	person	80	123	
(10) Certificate	100	100	person	10	15	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	10,000	1	L.S.	10	15	
			Sub-total:	1,221	1,880	
X.X Training for Environmental Safeguard round-5						
(1) Daily allowance for Participants	750	435	MD	326	502	- 87 UPZ are targeted in round-5 : 87 participants
(2) Travel allowance for Participants	2,000	87	person	174	268	- 1 time / year
(3) Food & refreshment	680	435	MD	296	456	- 5 days / time
(4) Venue charge	5,000	5	L.S.	25	39	- 1 venue / training
(5) Equipment charge	7,500	1	L.S.	8	12	- All unit costs are decided with reference to "LGSP2 Training of URT"
(6) Course management including support service	25,000	1	L.S.	25	39	
(7) Resource person honorarium	13,000	5	MD	65	100	
(8) Training Material	800	87	person	70	107	
(9) Training module and manual	800	87	person	70	107	
(10) Certificate	100	87	person	9	13	
(11) Banner	3,000	1	L.S.	3	5	
(12) Miscellaneous	10,000	1	L.S.	10	15	
			Sub-total:	1,079	1,662	
			Total:	**5,961**	**9,181**	
			Grand Total:	**5,961**	**9,180**	**('000 BDT)**

Appendix 3.3 Cost Breakdown of Component 3

Activity	Unit Cost ('000 BDT)	Quantity		Amount ('000 BDT)	Amount ('000 JPY)	Description
3.1 Baseline Survey & Engineering Support						
(1) Baseline Survey (Out-source)	5,000	1	L.S.	5,000	7,700	- Calculated based on JST baseline survey by subcontract
(2) Engineering Support (Out-source)	12,000	1	L.S.	12,000	18,480	- 2 senior engineers, 4MM /year, 5years, 300,000 BDT/Month
			Sub-total:	17,000	26,180	
3.2 Annual Audit						
(1) Audit for activities of 1st year	34	100	Upazila	3,360	5,174	- including Auditor's audit by 20%
(2) Audit for activities of 2nd year	34	200	Upazila	6,720	10,349	- 28,000 [BDT / Upazila] x 1.2
(3) Audit for activities of 3rd year	34	300	Upazila	10,080	15,523	
(4) Audit for activities of 4th year	34	400	Upazila	13,440	20,698	
			Sub-total:	33,600	51,744	
3.3 PBA Indicator Collection						
(1) PBA Indicator Collection	83	1,956	Upazila	162,348	250,016	- 489 Upazilas x 4 year, Unit cost based on LGSP-II
			Sub-total:	162,348	250,016	
			Total:	**212,948**	**327,940**	

Appendix 3.4 Cost Breakdown of Component 4: the Consulting Services

			US $	= yen	119
			BDT	= yen	1.54

	Unit	Qty.	Foreign Portion (Yen) Rate	Amount ('000)	Local Portion (BDT) Rate	Amount ('000)	Combined Total (Yen) Amount ('000)
A Remuneration							
1. Professional (A)	M/M	99	2,895,000	286,605	0	0	286,605
2. Professional (B)	M/M	404	0	0	420,000	169,680	261,307
3. Professional (C) (Professional (B) Jr.)	M/M	-	Included in Item A-2 (above Professional (B))				
4. Supporting Staffs	M/M	237	0	0	40,000	9,480	14,599
Subtotal of A		740		286,605		179,160	562,511
B Direct Cost							
1. International Travel (round trip)							
1.1 International Airfare	Trip	28	420,000	11,760			11,760
1.2 Excess Baggage	kg	100	6,000	600			600
2. Domestic Flight							
2.1 Dhaka - Chittagong	Times	120			12,800	1,536	2,365
2.2 Dhaka - Cox's Bazar	Times	120			14,600	1,752	2,698
2.3 Dhaka - Sylhet	Times	120			9,600	1,152	1,774
2.4 Dhaka - Jossore	Times	120			8,600	1,032	1,589
3. Perdiem and Accomodation							
3.1 Accomodation allowance (Pro-A)	Month	99			462,000	45,738	70,437
3.2 Accomodation allowance (Pro-B)	Month	404			40,000	16,160	24,886
3.3 Accomodation allowance (Pro-B Jr.)	Month	-			20,000	0	0
3.4 Field allowance	Day	-			1,500	0	0
4. Vehicle							
4.1 Car rental (Sedan)	Month	60			67,500	4,050	6,237
4.2 Car rental (4WD)	Month	60			156,000	9,360	14,414
5. Office cost & Others							
5.1 Travel Documents	Times	24			1,150	28	43
5.2 Internet	Month	60			6,650	399	614
5.3 Communications (mobiliphone, fax)	Month	60			10,000	600	924
5.4 Office running cost (stationery, water, etc.)	Month	60			40,000	2,400	3,696
5.5 Desktop PC	Nos.	4			38,000	152	234
5.6 Copy Machine	Nos.	1			97,500	98	150
5.7 Laser Printer	Nos.	4			15,000	60	92
5.8 Scanner	Nos.	4			10,000	40	62
5.9 Fax	Nos.	1			10,000	10	15
5.10 Mobile Internet Modem	Nos.	11			2,000	22	34
5.11 Security Software	Nos.	40			4,000	160	246
5.12 MS Office	Nos.	8			17,000	136	209
5.13 Office Furniture and Equipment (Desks, Chiars, ACs, Cables, etc.)	L.S	1			1,480,000	1,480	2,279
5.14 Report Preparation	Month	60			20,000	1,200	1,848
Subtotal of B				12,360		87,564	147,209
Total				**298,965**		**266,724**	**709,720**

Appendix 3.5 Manning Schedule for the Consulting Services

		Position	BillingRate F/C Yen	BillingRate LC/ BDT	2016	2017	2018	2019	2020	2021	Total
A	1	Team Leader	2895000	0							39
A	2	Monitoring and Evaluation Expert	2895000	0							20
A	3	Capacity Development Expert	2895000	0							20
A	4	Financial Management Expert	2895000	0							20
											0
B	1	Deputy Team Leader	0	420000							58
B	2	Monitoring and Evaluation Expert	0	420000							55
B	3	Field Governance Management Expert	0	420000							58
B	4	Capacity Development Expert	0	420000							58
B	5	Financial Management Expert	0	420000							55
B	6	Environmental Safeguard Expert	0	420000							55
B	7	Social Consideration Expert	0	420000							55
B	8	Network/ IT Expert	0	420000							10
		[Total of Pro-A]			16	20	17	17	17	12	99
		[Total of Pro-B]			46	79	79	79	79	42	404
		[Total of Pro-A+Pro-B]			62	99	96	96	96	54	503
		Total Cost of FC for Each Month(Pro-A)			46,320,000	57,900,000	49,215,000	49,215,000	49,215,000	34,740,000	286,605,000
		Total Cost of FC for Each Month(Pro-B)			0	0	0	0	0	0	0
		Total Cost of LC for Each Month(Pro-A)			0	0	0	0	0	0	0
		Total Cost of LC for Each Month(Pro-B)			19,320,000	33,180,000	33,180,000	33,180,000	33,180,000	17,640,000	169,680,000
C	1	Administrator/ Secretary	0	40000							58
C	2	Computer Operator	0	40000							116
C	3	Clerk	0	40000							63
			0	0							0
			0	0							0
			0	0							0
			0	0							0
			0	0							0
		[Total of Supporting Staff]			33	45	45	45	45	24	237
		Total Cost of LC for Each Month(SS)			1,320,000	1,800,000	1,800,000	1,800,000	1,800,000	960,000	9,480,000
		Grand Total			95	144	141	141	141	78	740

Appendix 3.6 Terms of Reference for Consulting Services

Chapter1. Background

Bangladesh has a three-layer local government system: District, Upazila (Sub-district) and Union. Based on the provisions of the Constitution of the People's Republic of Bangladesh, the Government of Bangladesh (GOB) tries to ensure devolution to Local Government Institutions (LGIs) for better service delivery to the people.

The Sixth Five Year Plan (2011/12-15/16) identifies strengthening local government as one of the priority areas for improving governance: "Effective local government institutions will foster public participation and transparency on the ground, which contributes to delivering better public services and achieving national goals." For strengthening public administration capacity, the Plan indicates the main components of the strategy for promoting devolution to local government: such as enhancing the legal framework, improving transparency and accountability, building the capacity, developing planning and budgeting capacity of LGIs, expanding the role and participation of citizens, and establishing e-governance.

Upazila, which is an important LGI with an appropriate size for planning and development interventions, has also been established steadily in recent years. Elections of Upazila Parishad were properly organized in 2009 and 2014; the Upazila Parishad Act was promulgated in 2009 and revised in 2011; the Annual Development Program (ADP) for Upazila was introduced and enhanced gradually.

However, the roles of Upazila Parishad remain small due to the concentration of resources and service delivery through line agencies accountable to Government rather than locally elected councils. Compared with the other categories of LGIs (Union, Pourashava and City Corporation), moreover, decentralization and governance improvement process at the Upazila level still has many challenges. As Upazilas are expected to play a coordinating role and contribute to local development, it is needed for Upazilas Parishad to strengthen the capacity to provide effective service delivery for citizens.

Considering the situation mentioned above, it is necessary to initiate a comprehensive and integrated project to strengthen local governance of Bangladesh focusing particularly on Upazila Parishad as a pivotal institution to realize decentralized and effective service delivery to local communities throughout the country. Under the Minutes of Discussion (April 17, 2014) between Japan International Cooperation Agency (JICA) and Local Government Division (LGD), JICA dispatched the JICA Study Team (JST) for project preparation.

(1) Project Components:

The Project comprises of the following components:

  Component 1: Upazila development for improving service delivery;
  Component 2: Capacity development and governance improvement;
  Component 3: Project management support; and
  Component 4: Consulting services

(2) Project Period

The Project is expected to <u>commence in July 2015 and to be completed by June 2021</u>.

(3) Project Area

The target area of the Project is <u>all Upazilas (489)</u> in Bangladesh.

(4) Executing Agency

The executing agency is <u>Local Government Division</u> (hereinafter referred to as "LGD"), Ministry of Local Government, Rural Development and Cooperatives.

(5) Institutional Arrangement

Overall institutional arrangement is shown as below. A steering committee (SC) shall be established with a view to rendering overall guidance and supervision in the implementation of the Project. A project management unit (PMU) will also be set up within the LGD and tasked with day-to-day project management and administration. At the field level, or sub-project level, Upazila Parishad and Upazila Nirbahi Officer (UNO) shall jointly assume responsibility for ensuring the successful implementation of sub-projects.
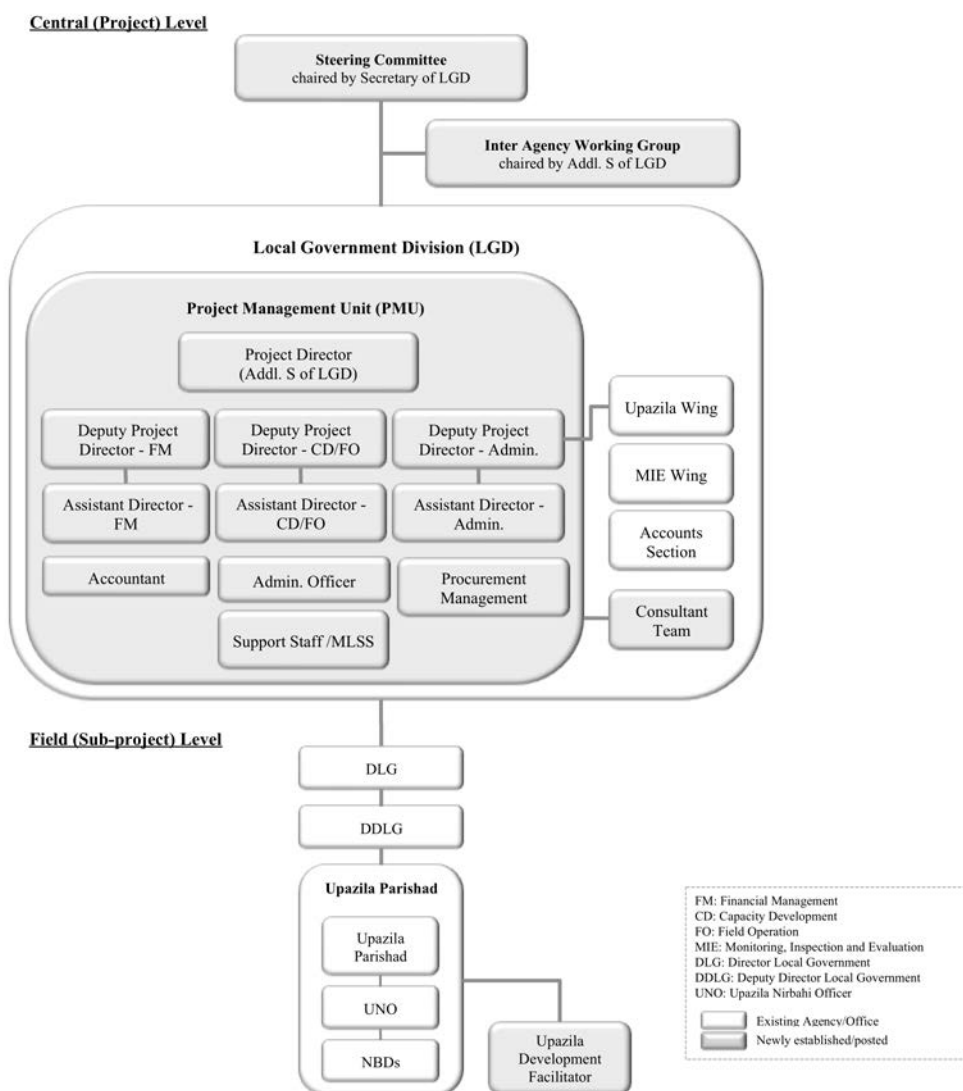
(6) Relevant Studies, Technical Standard and other references

Relevant study reports and technical documents to be referred are as below:

- The Study of the Project for Integrated Development of Upazilas (2015, JICA)

- Preparatory Survey on the Northern Region Rural Development and Local Governance Improvement Project (2014, JICA)
- Public Procurement Act (2006, Central Technical Procurement Unit, Implementation, Monitoring, and Evaluation Division, Ministry of Planning)
- Public Procurement Rule (2008, Central Technical Procurement Unit, Implementation, Monitoring, and Evaluation Division, Ministry of Planning)

(7) Related Projects:

The Project has to contact and link to following:
- Local Governance Support Project Phase 2 (LGSP2 (2011-2016) World Bank),
- Upazila Governance Project (UZGP (2011-2016), UNDP), and
- Union Parishad Governance Project (UPGP (2011-2016), UNDP)

Chapter2. Objectives of Consulting Services

The consulting services shall be provided by an international consulting firm (hereinafter referred to as "the Consultant") in association with national consultants in compliance with Guidelines for the Employment of Consultants under Japanese ODA Loans, April 2012. The objective of the consulting services is to achieve the efficient and proper preparation and implementation of the Project through the following works:

(1) Preparing the plan of overall project implementation

(2) Preparing all annual work plan

(3) Preparing plan and supervising implementation of baseline survey

(4) Monitoring and supervising project implementation including procurement

(5) Supporting preparation of disbursement projections

(6) Collecting supporting documents on expenditures from target Upazila Parishad

(7) Preparation to proceed to all the disbursement-related administrative operation

(8) Supporting project activities to ensure compliance with the regulations of Bangladesh and agreement between GOB and JICA

(9) Supporting to monitor environmental safeguard relevant to sub-projects

(10) Preparing indicators to assist assessment of Upazilas' performance on governance

(11) Assisting evaluation of proposals submitted from Upazilas to PMU

(12) Supervising activities of Upazila Development Facilitators

(13) Ensuring safety during the implementation of the Project

Chapter3. Scope of Consulting Services

The consultants shall be responsible to the contractor, PMU, for the tasks shown below:

(1) Preparing the plan of overall project implementation

   (i) Review and verify all available primary and secondary data collected during the JICA's preparatory survey for the Project

   (ii) Provide necessary advice to PMU for smooth and efficient execution of the Project

   (iii) Prepare and revise overall plan for implementation of the Project at the proper times

(2) Preparing all annual work plan

   (i) Prepare detailed work plan, progress reports and implementation schedule for the Project to ensure effective monitoring and timely project outputs, and regularly update the same

   (ii) Assist PMU in evaluation of proposal submitted by target Upazilas

   (iii) Prepare and submit the report prescribed in Chapter 6 to PMU

(3) Preparing plan and supervising implementation of baseline survey

   (i) Review currently available Upazila-wise data on Upazilas' performance in terms of local governance

   (ii) Prepare the TOR and bidding documents for the baseline survey

   (iii) Organize a bidding for the baseline survey and assist PMU to select the awardee

   (iv) Supervise the implementation of the baseline survey by the sub-contractor

(4) Monitoring and supervising project implementation including procurement

   (i) Assist PMU in monitoring and evaluation of financial performance of target Upazilas

   (ii) Assist target Upazilas for smooth operation relevant to the project through training and supervising Upazila Development Facilitators (UDFs)

(5) Supporting preparation of disbursement projections

   (i) Prepare disbursement schedule from PMU to target Upazilas based on the proposals

   (ii) Check SoE documents submitted from targeted Upazilas to PMU and provide necessary advice for timely disbursement

(6) Collecting supporting documents on expenditures from target Upazila Parishad

   (i) Supervise UDFs to monitor activities of sub-projects conducted in target Upazilas

   (ii) Supervise UDFs to ensure periodical collection of documents on expenditures

(7) Preparation to proceed to all the disbursement-related administrative operation

   (i) Prepare annual procurement plan on activities of PMU

   (ii) Support procurement and tender of goods, works, and services related to activities of PMU, such as procurement of office setup, recruitment of UDFs, tender of subcontract for annual audit of target Upazilas, and so on

(8) Supporting project activities to ensure compliance with the regulations of Bangladesh and agreement

between GOB and JICA

(i) Conduct introductory training on environmental and social considerations for the local stakeholders and UDFs

(ii) Regularly remind the UDFs of the necessity of compliance to the regulations and agreement, asking them to report any irregularity or violation found in the filed

(9) Supporting to monitor environmental safeguard relevant to sub-projects

(i) Ensure each Upazila Parishad to prepare the Environmental Screening Sheet, Environmental Checklist and ESMF during the preparation of sub-project selection process

(ii) Ensure each Upazila submit three environmental documents, mentioned above, to UDF

(iii) Ask UDFs to regularly monitor sub-projects using three developed environmental documents, mentioned above

(10) Preparing indicators to assist assessment of Upazilas' performance on governance

(i) Review the pre-identified indicators with respect to data availability and relevance

(ii) If possible and appropriate, conduct a sample survey of a few Upazilas to test the feasibility of the selected indicators before finalizing the set of indicators

(11) Assisting evaluation of proposals submitted from Upazilas to PMU

(i) Give a short-term orientation training on how to select the sub-projects, particularly on when and how to apply the criteria, to the officials/staff who will work on the selection

(ii) Supervise the selection process to ensure fairness and avoid arbitrariness

(12) Supervising activities of Upazila Development Facilitators

(i) Develop the ToR for the Upazila Development Facilitators (UDFs)

(ii) Dispatch consultants in charge or assistants on a regular basis to the target Upazilas to give practical guidance and assistance to the UDFs on the spot

(iii) Regularly monitor the performance of the UDFs through consultants in charge and/or assistants and reflect the results to the annual evaluation and promotion

(13) Ensuring safety during the implementation of the Project

(i) When preparing or reviewing bidding documents for procurement of works and those for procurement of supply and installation of plant, the consultants shall make sure to meet the related Bangladesh regulation and international practices

(ii) Review the safety plans submitted by the bidders from the point of view of securing safety during the construction   (Refer to Paragraph (2), Section 4.02, *Scope of the Project and of the Consulting Services of the Employment of Consultants under Japanese ODA Loans, April 2012*)

(iii) Review the programme submitted by the sub-contractors from the point of view of securing safety during the construction, and require them to submit further details, if necessary

(vi) During the supervision of the construction work, confirm that accident prevention officers employed by the sub-contractor are duly assigned at the project site and that the construction work is carried out according to the safety plan as well as the safety measures prescribed in the programme.   If the

consultants recognize any questions regarding the safety measures in general including the ones mentioned above, the consultants shall require the sub-contractors to make appropriate improvements

Chapter4. Expected Time Schedule

The total duration of consulting services will be 60 months. The implementation schedule expected is as shown in Table 4.1.

Table 4.1 : Implementation Schedule Expected

Key Activities	Date	Duration in Months
Commencement of consulting services	1 July 2016	60
Termination of consulting services	30 June 2021	
Commencement of recruiting UDFs (batch 1)	1 October 2015	2
Completion of recruiting UDFs (batch 1)	30 November 2015	
Commencement of training of UDFs (batch 1)	1 December 2015	1
Completion of training of UDFs (batch 1)	31 December 2015	
Commencement of mobilization of UDFs (batch 1)	1 January 2016	6
Completion of mobilization of UDFs (batch 1)	30 June 2021	
Issue the request for proposal to target Upazilas of round-1	1 January 2016	3
Receipt of proposals from target Upazilas of round-1	31 March 2016	
Commencement of evaluation of proposals of round-1	1 April 2016	3
Completion of evaluation of proposal of round-1	30 June 2016	
Commencement of activities of sub-projects at target Upazilas of round-1	1 July 2016	12
Completion of activities of sub-projects at target Upazilas of round-1	31 March 2017	
Receipt of relevant documents on SoE and performance indicators regarding round-1	30 June 2017	
Commencement of recruiting UDFs (batch 2)	1 October 2016	2
Completion of recruiting UDFs (batch 2)	30 November 2016	
Commencement of training of UDFs (batch 2)	1 December 2016	1
Completion of training of UDFs (batch 2)	31 December 2016	
Commencement of mobilization of UDFs (batch 2)	1 January 2017	6
Completion of mobilization of UDFs (batch 2)	30 June 2021	
Issue the request for proposal to target Upazilas of round-2	1 January 2017	3
Receipt of proposals from target Upazilas of round-2	31 March 2017	
Commencement of evaluation of proposals of round-2	1 April 2017	3
Completion of evaluation of proposal of round-2	30 June 2017	
Commencement of activities of sub-projects at target Upazilas of round-2	1 July 2017	12
Completion of activities of sub-projects at target Upazilas of round-2	31 March 2018	
Receipt of relevant documents on SoE and performance indicators regarding round-2	30 June 2018	
Issue the request for proposal to target Upazilas of round-3	1 January 2018	3
Receipt of proposals from target Upazilas of round-3	31 March 2018	
Commencement of evaluation of proposals of round-3	1 April 2018	3
Completion of evaluation of proposal of round-3	30 June 2018	
Commencement of activities of sub-projects at target Upazilas of round-3	1 July 2018	12
Completion of activities of sub-projects at target Upazilas of round-3	31 March 2019	

Key Activities	Date	Duration in Months
Receipt of relevant documents on SoE and performance indicators regarding round-3	30 June 2019	
Issue the request for proposal to target Upazilas of round-4	1 January 2019	3
Receipt of proposals from target Upazilas of round-4	1 June 2019	
Commencement of evaluation of proposals of round-4	1 April 2019	3
Completion of evaluation of proposal of round-4	30 June 2019	
Commencement of activities of sub-projects at target Upazilas of round-4	1 July 2019	12
Completion of activities of sub-projects at target Upazilas of round-4	31 March 2020	
Receipt of relevant documents on SoE and performance indicators regarding round-4	30 June 2020	
Issue the request for proposal to target Upazilas of round-5	1 January 2020	3
Receipt of proposals from target Upazilas of round-5	31 March 2020	
Commencement of evaluation of proposals of round-5	1 April 2020	3
Completion of evaluation of proposal of round-5	30 June 2020	
Commencement of activities of sub-projects at target Upazilas of round-5	1 July 2020	12
Completion of activities of sub-projects at target Upazilas of round-5	31 March 2021	
Receipt of relevant documents on SoE and performance indicators regarding round-5	30 June 2021	

Chapter5. Staffing (Expertise required)

Four (4) of Professional (A) consultants and eight (8) of Professional (B) consultants will be engaged, over 60 months' duration of consulting services, for a total of 99 man-months for Professional (A) and 404 man-months for Professional (B) consultants. Total consulting input is 503 man-months. A detailed schedule of consulting services and a distribution of man-months are shown in separate Appendices.

(1) Minimum Qualification of Key Team Members

The qualification of key Team Members is shown in Tables 5.1 and 5.2.

Table 5.1 : Minimum Qualification of Key Team Members (Professional – A)

Designation	Minimum Qualification
Team Leader/Project Manager (No.:1, 39 MM)	Education: - Post Graduate Experience: - At least 15 years actual working experience in the field of planning, designing, implementation, management and monitoring and evaluation for development projects - Minimum experience of 3 development projects assigned to project management expert/project manager in ICB contract, of which each contract amount is more than USD 50 million - At least one experience of leading a consultants' team as the Team Leader or the Deputy Team Leader - Minimum experience of 3 projects or 5 years assignment in total in international ODA loan projects Language skill: - English: Fluent
Monitoring and Evaluation Expert (No.:1, 20 MM)	Education: - Post Graduate Experience: - At least 5 years actual working experience in the field of monitoring and evaluation of similar projects - Experience of monitoring and evaluation for at least 1 development project in ICB contract - Minimum experience of 2 projects or 3 years assignment in total in Japanese ODA projects Language skill: - English: Fluent
Capacity Development Expert (No.:1, 20 MM)	Education: - Post Graduate in Social Science / preferably Education or Human Resource Development Experience: - At least 5 years actual working experience in capacity development or training of development projects - Experience of capacity development or training for at least 1 development project in ICB contract - Minimum experience of 2 projects or 3 years assignment in total in

Designation	Minimum Qualification
	Japanese ODA project Language skill: - English: Fluent
Financial Management Expert (No.:1, 20 MM)	Education: - Post Graduate in Management Experience: - At least 10 years actual working experience in financial management of similar projects - Experience of financial management for at least 3 development projects in ICB contract Language skill: - English: Fluent

Table 5.2 : Minimum Qualification of Key Team Members (Professional – B)

Designation	Minimum Qualification
Deputy Team Leader (No.:1, 58 MM)	Education: - Post Graduate Experience: - At least 10 years actual working experience in the field of planning, designing, implementation, management and monitoring and evaluation for development projects - Minimum an experience of project management assigned to Team Leader or Deputy Team Leader in development project - Minimum experience of 2 projects or 3 years assignment in total in foreign funded projects Language skill: - English: Fluent in speaking and writing
Monitoring and Evaluation Expert (Nos.:1, 55 MM)	Education: - Post Graduate Experience: - At least 7 years actual working experience in the field of monitoring and evaluation of similar projects - Minimum experience of 2 projects or 3 years assignment in foreign funded project Language skill: - English: Fluent in speaking and writing
Field Governance Management Expert (Nos.:1, 58 MM)	Education: - Post Graduate in Management Experience: - At least 5 years actual working experience in the field of personnel management of similar projects or in the field of community facilitation/mobilization for development projects - Minimum experience of 2 projects or 3 years assignment in foreign funded project Language skill:

Designation	Minimum Qualification
	- English: Fluent in speaking and writing
Capacity Development Expert (Nos.:1, 58 MM)	Education: - Post Graduate Experience: - At least 10 years actual working experience in capacity development or training of development projects - Minimum experience of 2 projects or 3 years assignment in foreign funded project Language skill: - English: Fluent in speaking and writing
Financial Management Expert (Nos.:1, 55 MM)	Education: - Post Graduate in Management Experience: - At least 10 years actual working experience in financial management of similar projects - Minimum experience of 2 projects or 3 years assignment in foreign funded project Language skill: - English: Fluent in speaking and writing
Environmental Safeguard Expert (No.: 1, 55MM)	Education: - Graduate in Environmental Science Experience: - At least 7 years actual working experience in environmental safeguard of similar projects - Minimum experience of 2 projects or 3 years assignment in foreign funded project Language skill: - English: Fluent in speaking and writing
Social Consideration Expert (No.: 1, 55 MM)	Education: - Graduate in Social Science Experience: - At least 7 years actual working experience in social consideration of similar projects - Minimum experience of 2 projects or 3 years assignment in foreign funded project Language skill: - English: Fluent in speaking and writing
Network/ IT Expert (No.: 1, 10 MM)	Education: - Graduate in Information/ Computer Science Experience: - At least 3 years actual working experience in system engineering of similar projects - Minimum an experience of development project assigned to similar position, such as IT Expert, System Engineer, and so on - Minimum 3 years actual working experience in system engineering/development firm

Designation	Minimum Qualification
	Language skill: - English: Fluent in speaking and writing

Consultant may propose other experts and supporting staffs required to accomplish the tasks outlined in the ToR. It is the Consultant's responsibility to select the optimum team and to propose the professionals who he believes best meets the needs of LGD.

(3) Scope of works for the respective personnel

Detailed information on the major tasks and duties each member of consulting team shall perform is provided as follows:

Table 5.3 : Scope of Works for Respective Experts (Professional - A)

No	Position	Major Tasks and Duties
A-1	Team Leader	- To manage and oversee the consultant team - To provide advice to PMU for the smooth and efficient execution of the Project - To assist PMU to prepare and revise the overall implementation plan, detailed work plan, progress reports (Project Status Reports) and implementation schedule of the Project - To assist PMU to prepare the documents to be submitted to JICA - To assist PMU to evaluate proposals submitted by target Upazilas - To assist PMU to manage Upazila Development Facilitators stationed in the selected Upazilas - To assist PMU in facilitating LGD's Upazila Sector Reform - To ensure safety during the Project implementation - To supervise the subcontract for the engineering support from bidding preparation to evaluation of proposal submitted by selected Upazilas
A-2	Monitoring and Evaluation Expert	- To assist PMU in monitoring and evaluation of overall performance of the selected Upazilas - To assist the selected Upazilas for the smooth operation through training and supervising Upazila Development Facilitators - To assist PMU to carry out the annual performance evaluation and ranking of Upazilas based on the survey results - To supervise the subcontract for the baseline survey and performance indicator survey from bidding preparation to data analysis
A-3	Capacity Development Expert	- To assist PMU to develop training programs and modules appropriate for respective trainees and purposes - To assist PMU to organize training sessions in a timely manner - To assist PMU to conduct training sessions in collaboration with appropriate training institutions - To provide appropriate advice to LGD/PMU when any difficulties arise in implementing training sessions - Jointly with Field Governance Management Expert, to guide and supervise Upazila Development Facilitators stationed in the target Upazilas
A-4	Financial Management Expert	- To assist PMU in monitoring and evaluation of financial performance of the selected Upazilas - To assist PMU to prepare disbursement schedule from PMU to the selected Upazilas - To assist PMU to prepare the disbursement projections - To assist PMU to prepare disburse-related documents in accordance with JICA's manner

No	Position	Major Tasks and Duties
		- To check SoE documents submitted to PMU by the selected Upazilas and provide advice for timely disbursement - Through Upazila Development Facilitators, to ensure periodical collection of supporting documents on expenditures - To assist PMU to prepare annual procurement plan on activities by PMU - To support PMU in procurement and tender of goods, works and services related to activities by PMU including subcontracting for annual audit of the selected Upazilas

Table 5.4 : Scope of Works for Respective Experts (Professional - B)

No	Position	Major Tasks and Duties
B-1	Deputy Team Leader	- To manage and oversee the Professional (B) consultants and Administrative Officer of the consultant team - To provide support to Team Leader for the smooth and efficient execution of the Project - To assist Team Leader to carry out his/her tasks - To ensure safety during the Project implementation
B-2	Monitoring and Evaluation Expert	- To assist Professional (A) Monitoring and Evaluation Expert to carry out his/her tasks - To collect field information via Upazila Development Facilitators and report to Professional (A) Monitoring and Evaluation Expert
B-3	Field Governance Management Expert	- To assist PMU to recruit Upazila Development Facilitators - To assist Capacity Development Expert to conduct training for Upazila Development Facilitators - To assist PMU to assign Upazila Development Facilitators to the selected Upazilas - To guide and supervise Upazila Development Facilitators' operation in Upazilas - To evaluate Upazila Development Facilitators' performance and advise PMU on their contract extension - To deal with grievances and complaints from Upazila Development Facilitators
B-4	Capacity Development Expert	- To assist Professional (A) Capacity Development Expert to carry out his/her tasks - To assist LGD/PMU in conducting training - To monitor and report training condition and achievement to Professional (A) Capacity Development Expert
B-5	Financial Management Expert	- To assist Professional (A) Financial Management Expert to carry out his/her tasks - To collect field information via Upazila Development Facilitators and report to Professional (A) Financial Management Expert
B-6	Environmental Safeguard Expert	- To ensure that all sub-projects comply with environmental regulations and the GoB-JICA agreement - To perform as a resource person in training sessions conducted under the Project - To ensure that each selected Upazila prepare the Environmental Screening Sheet, Environmental Checklist and ESMF during the preparation of proposals and summit them to UDF - To ask UDFs to regularly monitor sub-projects using the three environmental documents mentioned above
B-7	Social Consideration Expert	- To ensure that all sub-projects comply with government regulations and the GoB-JICA agreement - To perform as a resource person in training sessions conducted under the

No	Position	Major Tasks and Duties
		Project
B-8	Network/ IT Expert	- To review existing softwares (assisting budgeting and accounting software: iBAS) and arrange the software suitable for the Project - To assess the arranged software and revise it periodically

Chapter 6. Reporting

Within the scope of consulting services, the Consultant shall prepare and submit reports and documents to LGD. The Consultant shall provide electronic copy of each of these reports.

Table 6.1 : List of Reports

Category	Type of Report	Timing	No. of Copies
Consulting Services	Inception Report	Within 1 month after commencement of the services	10
	Monthly Progress Report	Every month	10
	Half-yearly Progress Report	Every 6 months	10
	Annual Progress Report	Every year	10
	Service Completion Report	At the end of Services	10
Training	Annual Training Program Report	By 1 month before the next fiscal year of Bangladesh	10
	Training Execution and Evaluation Report	Within 1 month after training	10
Other Report	Technical Report	As required or upon request	As required

Contents to be included in each report are as follows:

(1)   Inception Report (10 sets)

Inception report, to be submitted within 1 months after the commencement of the services, shall contain overall work schedule, work plan, administrative arrangement, results of review of available data and information relevant to the project during the inception period, and so on.

(2)   Monthly Progress Report, Half-yearly Progress Report, and Annual Progress Report (10 sets each)

Monthly progress report, half-yearly progress report and annual progress report, to be prepared at the end of every month, half year or every year, shall contain detailed information of physical and financial progress of the project components, issues and problems, consultant's input and activities, and schedule of works for the next period.

(3)   Service Completion Report (10 sets)

Based on the monitoring and evaluation records of the project activities, the consultant shall prepare and submit the services completion report which covers the results of all the project components at the end of the services.

(4)   Annual Training Program Report (10 sets)

Annual training program report, to be prepared by 1 month before the next fiscal year of Bangladesh, shall contain training details such as overall training plan, respective training subject, schedule, trainees, trainers,

cost, and so on.

(5)   Training Execution and Evaluation Report (10 sets)

Training execution and evaluation report, to be submitted within 1 month after completion of training, shall contain result of training such as date, number of trainees, names of trainers, venue, cost, and so on.

(6)   Technical Report (5 sets)

Technical Reports, as required, should be prepared on the specific technical issues with the aim to enhance and upgrade technical understandings and skill of the executing agencies and managing agency concerned for the project implementation.

Chapter7. Obligations of the Executing Agency

A certain range of arrangements and services will be provided by the Executing Agency to the Consultant for smooth implementation of the Consulting Services.   In this context, the Executing Agency will:

(1)   Report and Data

The Executing Agency enables the Consultant accessible to existing reports and data related to the Project as requested by them

(2)   Office Space

The Executing Agency provides an office space in PMU office to be established in NILG with basic equipment and utility. In case the equipment and utility required by the Consultant would be unable for LGD to provide, the proposal of consulting services should include its cost.

(3)   Cooperation and Counterpart Staff

The Executing Agency appoints counterpart officials to the directors of PMU as described in the figure of Chapter 1 (5).

PMU will be headed by an Additional or Joint Secretary of the LGD who shall serve as the Project Director (PD) on a full-time basis within the PMU. The PD will be assisted by three full-time Deputy Project Directors (DPDs). Given the complexity of the Project, the three Assistant Directors will be assigned as well in the PMU. It is preferable that the three DPDs and three Assistant Directors will be appointed from the existing LGD high-rank officials based on the extensive experience in donor-funded projects.

In addition, it is assumed that the Executing Agency would assign a number of officers as PMU supporting staff: Accountant (1), Assistant Accountant (2), Survey Assistant (4), Administrative Officer (1), Procurement Manager (associate) (1), Computer Operator (3), Office Assistant (1), Driver (2), Photocopy Operator (1), Messenger (1), MLSS (2) and Cleaner (2). Since these officers/staff will bear important duties respectively in this Project, their assignment should be ensured.

(4)   Assistance and exemption

The Executing Agency assists the Consultant for custom clearance and provides work permits, residence permits, credential/ identification cards for the Consultant, entry permits to all the sites for implementation of the project, and exemption from any requirement for registration and any taxes and duties with respect to equipment, instruments, tools and other articles to be procured in and out of Bangladesh in connection with the consulting services.

(5)   Safety of the Project

The Executing Agency will take necessary safety measures for the Project in order to prevent possible accidents in accordance with the related Bangladesh regulations and international practices. During the Project implementation, Additional Secretary in charge of Safety & Quality Assessment in LGD should take lead in this matter.

The Executing Agency will notify JICA immediately (within 24 hours at the latest) in case that any fatal, major or other accident, which may involve serious injuries, occurs during the implementation of the Project.

Appendix 3.7 PMU Administration Cost
3.7.1 PMU Staffing

SN	Position	Nos.	MM	Unit Cost [BDT]	Amount [BDT]
1	Project Director (Joint Secretory, LGD)	1	72	117,520	8,461,440
2	Duputy Project Director	3	72	78,640	16,986,240
3	Assistant Director	3	72	68,900	14,882,400
4	Accountant	1	72	29,200	2,102,400
5	Assistant Accountant	2	72	15,930	2,293,920
6	Survey Assistant	4	72	20,960	6,036,480
7	Administrative Officer	1	72	14,560	1,048,320
8	Procurement Manager (Associate)	1	72	20,960	1,509,120
9	Computer Operator	3	72	15,680	3,386,880
10	Office Assistant	1	72	15,420	1,110,240
11	Driver	4	72	15,000	4,320,000
12	Photocopy Operator	1	72	12,000	864,000
13	Messenger	1	72	9,900	712,800
14	MLSS	2	72	8,900	1,281,600
15	Cleaner	2	72	7,900	1,137,600
	Total	**30**			**66,133,440**
				including escalation:	**80,370,306**

3.7.2 Goods & Equipments to be procured by PMU

SN	Item	Nos	Unit	Unit Price [BDT]	Amount (BDT)	Description
1	Digital Camera for PMU	7	Nos	28,000	196,000	for PMU, PD:**1**, DPD:**3**, AD:**3**
2	Desk for Individuals	16	Nos	10,000	160,000	for PMU staff
3	Chair for Individuals	16	Nos	10,000	160,000	for PMU staff
4	Shelf	3	Nos	10,000	30,000	Books, Reports, Maps, etc. 1 for 2 years, PMU active 6 year: **3**
5	Meeting Table (L)	1	Nos	150,000	150,000	for PMU meeting (15 ~ 20 persons): **1**
6	Meeting Table (S)	2	Nos	80,000	160,000	Directors meeting (5 ~ 10 persons):**2**
7	Water Server	1	Nos	4,000	4,000	**1** for PMU office
8	Air Conditioner	5	Nos	50,000	250,000	Work space: **1**, PD room: **1**, DPD room: 2, meeting room: **1**, including installation
9	Car Purchase (4WD)	1	Nos	7,600,000	7,600,000	**1** for PMU
10	Pickup	1	Nos	4,600,000	4,600,000	**1** for PMU
11	Desktop PC	15	Nos	38,000	570,000	PD:**1**, DPD:**3**, AD:**3**, Accountant:**1**, Ass. Accountant:**2**, Admi Officer:**1**, Computer Operator:**3**, Procurement Officer:**1**
12	Security Software (PMU)	75	Nos	4,000	300,000	Official license, **15 x 5** year
13	Microsoft Office (PMU)	15	Nos	17,000	255,000	Official license
14	Copy Machine	1	Nos	98,000	98,000	**1** for PMU office
15	Laser Printer	6	Nos	15,000	90,000	PD: **1**, DPD: **2**, Others: **3**
16	Scanner	6	Nos	10,000	60,000	AD:**3**, CO:**3**
17	Fax	1	Nos	10,000	10,000	**1** for PMU office
18	Internet Equipments	1	L.S.	20,000	20,000	Modem, Router, Cable, Installation, etc.
19	Office Rental	72	Month	400,000	28,800,000	Market Price: 100Tk/sq.ft/month = 1,100BDT/sq.m/month, LGSP-II in City Center:450,000BDT/month, UZGP in NILG: 20,000USD/year = 140,000BDT/month
20	Insurance for Cars	12	Year	65,000	780,000	average of Quotation, **2** cars x **5** years
21	O&M for Cars	144	Month	10,000	1,440,000	including fuel cost
22	Internet Usage	72	Month	7,000	504,000	average of Quotation
23	Communication	72	Month	10,000	720,000	Tentative
24	Office Running Cost	72	Month	40,000	2,880,000	Daily expense (Stationery, Copy paper, electricity, etc.)
	Total				**49,927,000**	
				including escalation:	**58,517,870**	

3.7.3 Summary

SN	Item	Ammount [BDT]
1	PMU Staff Salary	80,370,306
2	PMU Setup & Running Cost	58,517,870
	Total Administrative Cost	**138,888,176**

Appendix 3.8 Disbursement Schedule

Item	2015 FC	LC	Total	2016 FC	LC	Total	2017 FC	LC	Total	2018 FC	LC	Total	2019 FC	LC	Total	2020 FC	LC	Total	2021 FC	LC	Total
Component-1 Upazila Development for Improving Service Delivery																					
1.1 Upazila Development for Improving Service Delivery-I	0	0	0	0	203	312	0	203	312	0	0	0	0	0	0	0	0	0	0	0	0
1.2 Upazila Development for Improving Service Delivery-II	0	0	0	0	0	0	0	403	621	0	403	621	0	0	0	0	0	0	0	0	0
1.3 Upazila Development for Improving Service Delivery-III	0	0	0	0	0	0	0	0	0	0	605	931	0	605	931	0	0	0	0	0	0
1.4 Upazila Development for Improving Service Delivery-IV	0	0	0	0	0	0	0	0	0	0	0	0	0	806	1,241	0	806	1,241	0	0	0
1.5 Upazila Development for Improving Service Delivery-V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	985	1,517
Component-2 Capacity Development and Governance Improvement																					
2.1 Capacity Development	0	0	0	0	23	35	0	46	71	0	46	71	0	46	71	0	46	71	0	23	35
2.2(1) Upazila Governance Improvement Action Program - UDF I	0	0	0	0	31	48	0	62	96	0	62	96	0	62	96	0	62	96	0	31	48
2.2(2) Upazila Governance Improvement Action Program - UDF II	0	0	0	0	0	0	0	31	48	0	62	96	0	62	96	0	62	96	0	31	48
2.2(3) Upazila Governance Improvement Action Program - UDF Equipment I	0	0	0	0	10	16	0	10	16	0	0	0	0	0	0	0	0	0	0	0	0
2.2(4) Upazila Governance Improvement Action Program - UDF equipment II	0	0	0	0	0	0	0	10	16	0	10	16	0	0	0	0	0	0	0	0	0
2.2(5) Upazila Governance Improvement Action Program - UDF equipment III	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0
2.2(6) Upazila Governance Improvement Action Program - UDF equipment IV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	0
2.2(7) Upazila Governance Improvement Action Program - UDF equipment V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1
2.3 Upazila Parishad Sector Reform	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Component-3 Project Management Support																					
3.1 Baseline Survey & Engineering Support	0	0	0	0	9	13	0	9	13	0	0	0	0	0	0	0	0	0	0	0	0
3.2(1) Annual Audit-I	0	0	0	0	0	0	0	2	3	0	2	3	0	0	0	0	0	0	0	0	0
3.2(2) Annual Audit-II	0	0	0	0	0	0	0	0	0	0	3	5	0	3	5	0	0	0	0	0	0
3.2(3) Annual Audit-III	0	0	0	0	0	0	0	0	0	0	0	0	0	5	8	0	5	8	0	0	0
3.2(4) Annual Audit-IV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	10	0	7	10
3.3 PBA Indicator Collection	0	0	0	0	16	25	0	32	50	0	32	50	0	32	50	0	32	50	0	16	25
Component-4 Consulting Services																					
Consulting Services	0	0	0	48	31	96	60	52	141	51	52	132	51	52	132	51	52	132	36	28	79
Total	0	0	0	48	322	545	60	860	1,385	51	1,279	2,020	51	1,675	2,631	51	2,059	3,222	36	1,122	1,764

NOT including price escalation, contingency, and Non-eligible portion
FC: JPY million, LC: BDT million, Total: JPY million
Source: JICA Study Team

Appendix 3.9 List of Goods and Equipments

SN	Item	Nos	Unit	Unit Price	Amount (BDT)	Description
1	Motorcycle	200	Nos	114,000	22,800,000	for UDF, Unit Price is average of 4 quotation, not including mobilization
2	Laptop PC	200	Nos	40,000	8,000,000	for UDF, Unit Price is average of 4 quotation
3	Security Software	900	Nos	4,000	3,600,000	for UDF, Unit Price is referde to amazon, 200 x 5 year
4	Microsoft Office	200	Nos	17,000	3,400,000	for UDF, Unit Price is referde to amazon
5	Digital Camera	200	Nos	28,000	5,600,000	for UDF (if neccesary), Unit Price is assumed tentatively, GPS equipped
6	Mobile Internet Modem	200	Nos	2,000	400,000	for UDF, excluding charge
7	Digital Camera (PMU)	7	Nos	28,000	196,000	for PMU, PD:**1**, DPD:**3**, AD:**3**
8	Desk for Individuals	20	Nos	10,000	200,000	for PMU staff
9	Chair for Individuals	20	Nos	10,000	200,000	for PMU staff
10	Shelf	3	Nos	10,000	30,000	Books, Reports, Maps, etc. 1 for 2 years, PMU active 6 year: **3**
11	Meeting Table (L)	1	Nos	150,000	150,000	for PMU meeting (15 ~ 20 persons): **1**
12	Meeting Table (S)	2	Nos	80,000	160,000	Directors meeting (5 ~ 10 persons):2
13	Water Server	1	Nos	4,000	4,000	**1** for PMU office
14	Air Conditioner	5	Nos	50,000	250,000	Work space: **1**, PD room: **1**, DPD room: 2, meeting room: **1**, including installation
15	Car Purchase (4WD)	1	Nos	7,600,000	7,600,000	**1** for PMU
16	Pickup	1	Nos	4,600,000	4,600,000	**1** for PMU
17	Desktop PC	19	Nos	38,000	722,000	PD:**1**, DPD:**3**, AD:**3**, Accountant:**1**, Ass. Accountant:**2,** Admi Officer:**1**, Computer Operator:**3**, Procurement Officer:**1**
18	Security Software (PMU)	95	Nos	4,000	380,000	Official license, 15 x 5 year
19	Microsoft Office (PMU)	19	Nos	17,000	323,000	Official license
20	Copy Machine	1	Nos	98,000	98,000	**1** for PMU office
21	Laser Printer	6	Nos	15,000	90,000	PD: **1**, DPD: **2**, Others: **3**
22	Scanner	6	Nos	10,000	60,000	AD:**3**, CO:**3**
23	Fax	1	Nos	10,000	10,000	**1** for PMU office
24	Internet Equipments	1	L.S.	20,000	20,000	Modem, Router, Cable, Installation, etc.
25	Office Rental	72	Month	400,000	28,800,000	Market Price: 100Tk/sq.ft/month = 1,100BDT/sq.m/month, LGSP-II in City Center:450,000BDT/month, UZGP in NILG: 20,000USD/year = 140,000BDT/month
26	Insurance for Cars	12	Year	65,000	780,000	average of Quotation, **2** cars x **5** years
27	O&M for Cars	144	Month	10,000	1,440,000	including fuel cost
28	Internet Usage	72	Month	7,000	504,000	average of Quotation
29	Communication	72	Month	10,000	720,000	Tentative
30	Office Running Cost	72	Month	40,000	2,880,000	Daily expense (Stationery, Copy paper, electricity, etc.)

Appendix 3.10 Procedure of Opening Tendering Method

Key Action	Key Time Line	Main Activity	Approving Authority	Optional Activity	Notes
Procurement Plan		Open Tendering Method approved in Procurement Plan Rule 16 (4) — No / Yes			Discuss with HOPE or an authorized officer
		Follow Open Tendering Method			
Tender Preparation		Prepare specification of object of Procurement			
		Prepare an official cost estimate of the object of procurement	HOPE or an authorized officer		To be kept confidential for opening by TEC during evaluation
		Pre-qualification necessary — Yes / No		Prepare Pre-qualificationa Document	Standard Pre-qualification Document issued by the CPTU shall be used
		Develop Tender Document on the basis of Standard Tener Documents (STDs)		Prepare Invitaion for Pre-qualification	STDs issued by the CPTU shall be used
		Prepare Invitation for Tender			
Tender Issue, Receipt & Process		Advertise Invitation for Tender		Advertise Invitation for Pre-qualification	
	Minimum days for National and International as specified in this Rule	Modification of Tender Document necessary — No / Yes		Clarification of Pre-qualification Document needed — No / Yes	Minimum days as specified in this Rule
		Modify Tender Document		Clarification on Pre-qualification Documents	
		Receive Tenders		Receive and Evaluate Pre-qualification Documents	
		Open and Process Tenders			-TOC to be formed -Minutes to be taken -Opening in presence of at least one menmber of TEC -Open in one location -Check for Tender Security
Tender Examination, Evaluation & Approval		Examine and Evaluate Tender		Notify to Pre-qualified Applicants	
		Extension of Tender validity period is necessary — Yes / No	As per Delegation of Financial Powers	Modification of Tender Documents, if any	
		Forfeit Tender Security is needed — Yes / No		Send Invitation for Tender to Pre-qualified Tenderers	-As per Procurement Processing and Approval Procedure -Only one TEC will evaluate -Process to be confidential
		Post-qualify the successful Tenderer		Extend Tender Validity period	
		Approve Contract Award		Forfeit Tender Security	
Contract Management	Within days as specified in this Rule	Notify Award of Contract	As per Delegation of Financial Powers		-Use Standard Contract Form -No Negotiaion is allowed
		Sign the Contract		If successful Tenderer fails to sign the Contract, select from remaining responsive Tenderer	-Performance Security to be taken as specified in this Rule
		Procure the object			
		Maintain the Record of Procurement			

Appendix 3.11 Procedure of Selection based on Consultant's Qualifications

Key Action	Key Time Line	Main Activity	Approving Authority	Optional Activity	Notes
Preparation	At least the days to submit written interest for national applicants and in case of involving foreign applicants not less than the days as specified in this Rule	Finalise TOR → Finalise Cost Estimate and Budget → Call for Expressions of Interest (EOI) → Receipt of EOI			To be kept confidential
					Format as per Part-F of Schedule-X
Short listing		Evaluate EOI by PEC → Prepare Shortlist → If shortlist is less than four (4) → Review the assignment and found correct (Yes) → Properly advertised (Yes) → Finalise Shortlist	No / No — Approval by Head of a Procuring Entity or an officer authorized by him/her or an approving authority under the Delegation of Financial Powers (If approving authority is below the level of HOPE)	Amend the assignment or associated EOI → Re-advertise → Receipt of EOI → Prepare Shortlist → If suitable proposal is again less than four (4) → Finalise Shortlist	Not less than four (4) Not more than seven (7)
					All applicants Participating in the EOI must be informed whether or not they have been short-listed by the Procuring Entity
Proposal, Evaluation, Approval and Contract Award	Time to prepare not less than the days and in case of involving foreign firms not less than the days as specified in this Rule	Prepare RFP & Define Evaluation criteria and Minimum Qualifying Mark (MQM) → Send RFP to the short listed consultants → Receive proposales from consultants → Evaluate Technical Proposal by PEC	Approval by Head of a Procuring Entity or an officer authorized by him/her or an approving authority under the Delegation of Financial Powers (If approving authority is below the level of HOPE)		Follow standard RFP, issued by CPTU
		Negotiate with Highest Scoring Proposal (No / Yes) → Contract Sign	Approval by approving authority under the Delegation of Financial Powers	Invite the next highest ranked consultant and so on	

Appendix 4. Procurement Monitoring Sheet

Appendix 4. Procurement Monitoring Sheet

BD-Pxx: Upazila Governance Improvement Project				P/Q EOI Documents Evaluation Criteria		P/Q Result Short List		Tender Document Requeste for Proposal		Bidding		Technical Evaluation of Bids/ Proposal		Financial Evaluation of Bids/Proposal		Contract				
Contract of Lot	Procurement Method	Contract Price	Monitoring Status	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Announcement of B	Closing of Bid	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Commencement of Work/Service	Advance Payment	End of Work/Service	Note
Consulting Survice																					
Internatinal Consultant	ICB (QBS) S/L from EOI		Planned																		
			Actual																		
National Consultant	NCB (QBS) S/L from EOI		Planned																		
			Actual																		
C/S Office Setup and Operation																					
Rental Car	NCB (OTM)		Planned																		
			Actual																		
Office Furniture	NCB (OTM)		Planned																		
			Actual																		
Electric Devices	NCB (OTM)		Planned																		
			Actual																		
Network Installation	NCB (OTM)		Planned																		
			Actual																		
Goods																					
Motorcycle for UDF batch-1	NCB (OTM)		Planned																		
			Actual																		
Laptop PC for UDF batch-1	NCB (OTM)		Planned																		
			Actual																		
Software for UDF batch-1	NCB (OTM)		Planned																		
			Actual																		
Electric Devices for UDF batch-1	NCB (OTM)		Planned																		
			Actual																		
Motorcycle for UDF batch-2	NCB (OTM)		Planned																		
			Actual																		
Laptop PC for UDF batch-2	NCB (OTM)		Planned																		
			Actual																		
Software for UDF batch-1 & 2 (1)	NCB (OTM)		Planned																		
			Actual																		
Electric Devices for UDF batch-2	NCB (OTM)		Planned																		
			Actual																		
Software for UDF batch-1 & 2 (2)	NCB (OTM)		Planned																		
			Actual																		
Software for UDF batch-1 & 2 (3)	NCB (OTM)		Planned																		
			Actual																		
Software for UDF batch-1 & 2 (4)	NCB (OTM)		Planned																		
			Actual																		
Outsourcing																					
Engineering Support	NCB (SIC)		Planned																		
			Actual																		
Baseline Survey Region-1	NCB (QCBS)		Planned																		
			Actual																		
Baseline Survey Region-2	NCB (QCBS)		Planned																		
			Actual																		
Baseline Survey Region-3	NCB (QCBS)		Planned																		
			Actual																		
Baseline Survey Region-4	NCB (QCBS)		Planned																		
			Actual																		
Baseline Survey Region-5	NCB (QCBS)		Planned																		
			Actual																		
Baseline Survey Region-6	NCB (QCBS)		Planned																		
			Actual																		
Baseline Survey Region-7	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-1	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-2	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-3	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-4	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-5	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-6	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-7	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-8	NCB (QCBS)		Planned																		
			Actual																		
Audit round-1-9	NCB (QCBS)		Planned																		
			Actual																		
			Planned																		

BD-Pxx: Upazila Governance Improvement Project				P/Q EOI Documents Evaluation Criteria		P/Q Result Short List		Tender Document Requeste for Proposal		Bidding		Technical Evaluation of Bids/ Proposal		Financial Evaluation of Bids/Proposal		Contract					Note
Contract of Lot	Procurement Method	Contract Price	Monitoring Status	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Announcement of B	Closing of Bid	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Commencement of Work/Service	Advance Payment	End of Work/Service	
Audit round-1-10	NCB (QCBS)		Actual																		
Auditors' Audit 1-1	NCB (QCBS)		Planned																		
			Actual																		
Auditors' Audit 1-2	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-1	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-2	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-3	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-4	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-5	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-6	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-7	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-8	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-9	NCB (QCBS)		Planned																		
			Actual																		
Audit round-2-10	NCB (QCBS)		Planned																		
			Actual																		
Auditors' Audit 2-1	NCB (QCBS)		Planned																		
			Actual																		
Auditors' Audit 2-2	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-1	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-2	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-3	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-4	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-5	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-6	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-7	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-8	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-9	NCB (QCBS)		Planned																		
			Actual																		
Audit round-3-10	NCB (QCBS)		Planned																		
			Actual																		
Auditors' Audit 3-1	NCB (QCBS)		Planned																		
			Actual																		
Auditors' Audit 3-2	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-1	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-2	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-3	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-4	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-5	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-6	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-7	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-8	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-9	NCB (QCBS)		Planned																		
			Actual																		
Audit round-4-10	NCB (QCBS)		Planned																		
			Actual																		
Auditors' Audit 4-1	NCB (QCBS)		Planned																		
			Actual																		
Auditors' Audit 4-2	NCB (QCBS)		Planned																		
			Actual																		

BD-Pxx: Upazila Governance Improvement Project				P/Q EOI Documents Evaluation Criteria		P/Q Result Short List		Tender Document Requeste for Proposal		Bidding		Technical Evaluation of Bids/ Proposal		Financial Evaluation of Bids/Proposal		Contract					
Contract of Lot	Procurement Method	Contract Price	Monitoring Status	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Announcement of B	Closing of Bid	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Request for Conqurrence	JICA Concurrence	Commencement of Work/Service	Advance Payment	End of Work/Service	Note
PBA Indicator Collection-Year1	NCB (QCBS)		Planned																		
			Actual																		
PBA Indicator Collection-Year2	NCB (QCBS)		Planned																		
			Actual																		
PBA Indicator Collection-Year3	NCB (QCBS)		Planned																		
			Actual																		
PBA Indicator Collection-Year4	NCB (QCBS)		Planned																		
			Actual																		
PMU(Equipments & Good)																					
Electric Appliance	NCB (OTM)		Planned																		
			Actual																		
Office Furnitures	NCB (OTM)		Planned																		
			Actual																		
Software	NCB (OTM)		Planned																		
			Actual																		
Office Appliance	NCB (OTM)		Planned																		
			Actual																		
Car (4WD)	ICB (OTM)		Planned																		
			Actual																		
Pickup	ICB (OTM)		Planned																		
			Actual																		
Procurement Officer	NCB (LCS)		Planned																		
			Actual																		
			Planned																		
			Actual																		
			Planned																		
			Actual																		
			Planned																		
			Actual																		