

## **Bangladesh**

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### **Promoting Resilience of Vulnerable through Access to Infrastructure, Improved Skills and Information**

#### **Supervision Report**

#### **Main report and appendices**

Mission Dates: 24 November to 05 December 2019  
Document Date 17/01/2020  
Project No. 2000001465  
Report No. 5323-BD

Asia and the Pacific Division  
Programme Management Department

## Abbreviations and Acronyms

<b>ADB</b>	<b>Asian Development Bank</b>
<b>ADP</b>	<b>Annual Development Plan</b>
<b>AE</b>	<b>Assistant Engineer</b>
<b>BBS</b>	<b>Bangladesh Bureau of Statistics</b>
<b>BC</b>	<b>Bitumen carpeted (road)</b>
<b>BDT</b>	<b>Bangladesh Taka (currency)</b>
<b>Boro</b>	<b>Irrigated rice crop grown during the winter season</b>
<b>BRAC</b>	<b>A large Bangladeshi NGO</b>
<b>BGMEA</b>	<b>Bangladesh Garments Manufacturers and Exporters Association (BGMEA), Bangladesh</b>
<b>BKMEA</b>	<b>Knitwear Manufactures and Exporters Association</b>
<b>BRII</b>	<b>Bangladesh Rice Research Institute</b>
<b>BUET</b>	<b>Bangladesh University of Engineering and Technology</b>
<b>BWDB</b>	<b>Bangladesh Water Development Board</b>
<b>CARE</b>	<b>An international NGO</b>
<b>CC</b>	<b>Climate Change</b>
<b>CI</b>	<b>Corrugated iron sheet</b>
<b>CCRIP</b>	<b>Coastal Climate Resilient Infrastructure Project</b>
<b>CDSP</b>	<b>Char Development and Settlement Project</b>
<b>Char</b>	<b>Newly accreted land</b>
<b>PROVAT<sup>3</sup></b>	<b>Climate Resilient Community Development project</b>
<b>DAM</b>	<b>Dhaka Ahsania Mission (an NGO)</b>
<b>DDM</b>	<b>Department of Disaster Management</b>
<b>DFID</b>	<b>Department for International Development (UK)</b>
<b>DLS</b>	<b>Department of Livestock Services</b>
<b>DPP</b>	<b>Development Project Pro-forma</b>
<b>DYD</b>	<b>Department of Youth Development</b>
<b>EFA</b>	<b>Economic and Financial Analysis</b>
<b>EIRR</b>	<b>Economic Internal Rate of Return</b>
<b>ERD</b>	<b>Economic Relations Division</b>
<b>ERR</b>	<b>Economic Rate of Return</b>
<b>EU</b>	<b>European Union</b>
<b>FAPAD</b>	<b>Foreign Aided Projects Audit Direc</b>
<b>FAO</b>	<b>Food and Agriculture Organisation</b>
<b>FALS</b>	<b>Financial Action Learning System</b>
<b>FFWC</b>	<b>Flood Forecasting and Water Center</b>
<b>FY</b>	<b>Financial year</b>
<b>GALS</b>	<b>Gender Action Learning System</b>
<b>GDP</b>	<b>Gross Domestic Product</b>
<b>Ghat</b>	<b>A Bangla word of boat landing boat platform</b>
<b>GoB</b>	<b>Government of Bangladesh</b>
<b>HBB</b>	<b>Herringbone brick bond</b>
<b>Haat</b>	<b>A Bangladesh word for a rural market or bazaar, which assembles everyday with small number of buyers/sellers but meets twice a week in a large-scale</b>
<b>hh/HH</b>	<b>household</b>
<b>HIES</b>	<b>Household Income and Expenditure Survey</b>
<b>HILIP</b>	<b>Hoar Infrastructure and Livelihood Improvement Project</b>
<b>IA</b>	<b>Implementing Agency</b>
<b>IFAD</b>	<b>International Fund for Agricultural Development</b>
<b>IGA</b>	<b>Income generating activity</b>

<b>IRR</b>	<b>Internal Rate of Return</b>
<b>IRRI</b>	<b>International Rice Research Institute</b>
<b>IWM</b>	<b>Institute for Water Modelling</b>
<b>IWFM</b>	<b>Institute of Water and Flood Management</b>
<b>Khal</b>	<b>Drainage channel (natural or man-made)</b>
<b>Kharif</b>	<b>Summer cropping season</b>
<b>LCS</b>	<b>Labour Contracting Society</b>
<b>LGD</b>	<b>Local Government Division (of MLGRD&amp;C)</b>
<b>LGED</b>	<b>Local Government Engineering Department</b>
<b>MDMR</b>	<b>Regional Integrated Multi-Hazard Early Warning System</b>
<b>M&amp;E</b>	<b>Monitoring and Evaluation</b>
<b>MIDPCR</b>	<b>Market Infrastructure Development Project in Charland Regions (IFAD)</b>
<b>MFI</b>	<b>Microfinance Institution</b>
<b>MIS</b>	<b>Management Information System</b>
<b>MLGRD&amp;C</b>	<b>Ministry of Local Government Rural Development and Cooperatives</b>
<b>MMC</b>	<b>Market Management Committee</b>
<b>MOF</b>	<b>Ministry of Finance</b>
<b>MoU</b>	<b>Memorandum of Understanding</b>
<b>MPAT</b>	<b>Multidimensional Poverty Assessment Tool</b>
<b>MTR</b>	<b>Mid-Term Review</b>
<b>NATP</b>	<b>National Agricultural Technology Project (World Bank – IFAD)</b>
<b>NGO</b>	<b>Non–Governmental Organisation</b>
<b>OC&amp;CAG</b>	<b>Office of the Comptroller &amp; Auditor General</b>
<b>O&amp;M</b>	<b>Operation and Maintenance</b>
<b>PROVATI<sup>3</sup></b>	<b>Promoting Resilience Of Vulnerable through Access To Infrastructure, Improved Skills and Information</b>
<b>p.a.</b>	<b>per annum</b>
<b>PCR</b>	<b>Project Completion Review</b>
<b>PD</b>	<b>Project Director</b>
<b>PIM</b>	<b>Project Implementation Manual</b>
<b>PKSF</b>	<b>Palli Karma-Sahayak Foundation, government established apex funding agency for MFIs/NGOs</b>
<b>PMU</b>	<b>Project Management Unit</b>
<b>PPEP</b>	<b>Pathways to Prosperity for the Extreme Poor</b>
<b>PSC</b>	<b>Project Steering Committee</b>
<b>PY</b>	<b>Project Year</b>
<b>QA</b>	<b>Quality Assurance</b>
<b>Rabi</b>	<b>Winter cropping season</b>
<b>RCC</b>	<b>Reinforced cement concrete (e.g. road)</b>
<b>RDRS</b>	<b>Rangpur Dinajpur Rural Services (a Bangladeshi NGO)</b>
<b>REHAB</b>	<b>Real Estate and Housing Association of Bangladesh</b>
<b>RIMES</b>	<b>Regional Integrated Multi-Hazard Early Warning System</b>
<b>RIMS</b>	<b>Results and Impact Management System</b>
<b>RMG</b>	<b>Ready Made Garments</b>
<b>SAE</b>	<b>Sub-Assistant Engineer</b>
<b>SCBRMP</b>	<b>Sunamganj Community Based Resource Management Project</b>
<b>SDC</b>	<b>Swiss Development Cooperation</b>
<b>TA</b>	<b>Technical Assistance</b>
<b>TTC</b>	<b>Technical Training Centre</b>
<b>UCEP</b>	<b>Underprivileged Children’s Educational Programs</b>
<b>UE</b>	<b>Upazila Engineer</b>
<b>UNO</b>	<b>Upazila Nirbahi (Executive) Officer</b>

<b>UP</b>	<b>Union Parishad</b>
<b><i>Upazila</i></b>	<b>Sub-district</b>
<b>USAID</b>	<b>United States Agency for International Development</b>
<b>VST</b>	<b>Vocational Skills-training</b>
<b>WEAI</b>	<b>Women's Empowerment in Agriculture Index</b>
<b>WFP</b>	<b>United Nations World Food Programme</b>
<b>XEN</b>	<b>Executive Engineer (of LGED)</b>

## A. Project Overview

Region: Asia and the Pacific Division Project at Risk Status: Not at risk  
 Country: Bangladesh Environmental and Social Category: B  
 Project Name: Promoting Resilience of Vulnerable through Access to Infrastructure, Improved Skills and Information Climate Risk Classification: 2  
 Project ID: 2000001465 Executing Institution: Local Government Engineering Department  
 Project Type: Rural Development  
 CPM: Omer Zafar Implementing Institutions: Local Government Engineering Department  
 Project Director: M Rezaul Karim, LGED; rezaullged@yahoo.com  
 Project Area:

Approval Date: 11/12/2017 Last audit receipt: not available yet  
 Signing Date: 13/02/2018 Date of Last SIS Mission: 05/12/2019  
 Entry into Force Date: 13/02/2018 Number of SIS Missions: 1  
 Available for Disbursement Date: 15/03/2019 Number of extensions: 0  
 First Disbursement Date: 29/03/2019 Effectiveness lag: 2 months  
 MTR Date: not available yet  
 Original Completion Date: 31/03/2024  
 Current Completion Date: 31/03/2024  
 Financial Closure: not available yet

### Project total financing

IFAD Financing breakdown	IFAD	\$63,250,000
	Asia and the Pacific Division	\$1,250,000
Domestic Financing breakdown	National Government	\$27,874,000
Co-financing breakdown,		
Project total financing:		\$92,374,000

### Current Mission

Mission Dates: 24 November to 05 December 2020  
 Days in the field: 3  
 Mission composition: Mr Dewan A H Alamgir (mission leader), Mr Abul Basher (Civil Engineer), Dr Saiful Islam (M&E specialist), Ms Christa Ketting (IFAD programme officer), Mr Vedamurthy Kogalur (procurement specialist) and Ms Firoza Parvin Binti Yusoff (financial management specialist).  
 Field sites visited: Lalmonirhat, Kurigram, Rangpur

## B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		4	Assessment of the Overall Implementation Performance		4

<b>Effectiveness and Developmental Focus</b>	<b>4</b>	<b>Project Management</b>	<b>4</b>
Effectiveness	4	Quality of Project Management	4
Targeting and Outreach	4	Knowledge Management	4
Gender equality & women's participation	5	Value for Money	4
Agricultural Productivity	N/A	Coherence between AWPB and Implementation	4
Nutrition	N/A	Performance of M&E System	4
Adaptation to Climate Change	4	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)	4

<b>Sustainability and Scaling-up</b>	<b>4</b>	<b>Financial Management and Execution</b>	<b>3</b>
Institutions and Policy Engagement	4	Acceptable Disbursement Rate	2
Partnership-building	3	Quality of Financial Management	3
Human and Social Capital and Empowerment		Quality and Timeliness of Audit	4
Quality of Beneficiary Participation	4	Counterparts Funds	3
Responsiveness of Service Providers	4	Compliance with Loan Covenants	4
Environment and Natural Resource Management	4	Procurement	4
Exit Strategy	4		
Potential for Scaling-up	4		

<b>Relevance</b>	<b>4</b>
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## C. Mission Objectives and Key Conclusions

### Background and Main Objective of the Mission

Signed in February 2018, this report covers the first supervision mission for PROVATI<sup>3</sup> assessing the progress to date and providing implementation related guidance where needed. In specific, the mission assessed the implementation progress of the project by comparing achievements with the qualitative and quantitative objectives laid down in the appraisal report and the Annual Work Programme and Budget (AWPB); undertook field visits to interact with the project beneficiaries and project partners and make on-the-ground assessment. The mission also reviewed the project management modalities and assessed whether the project management structure has been established according to the design document and PIM.

### Key Mission Agreements and Conclusions

*The overall assessment of implementation is moderately satisfactory* because of the progress in subcomponent 1.2 and some progress in preparatory works in other subcomponents in Component 1. However, only preliminary and preparatory activities too place in Component 2. The main findings and conclusions of the mission are as follows:

- The project became effective on 11/02/2018 and an IFAD start-up mission fielded to the project in April 2018. The project director was officially appointed in November 2019 and some initial technical staff such as the deputy director, FM specialist and M&E specialist assumed office in January 2019. In April 2019, the project director initially appointed to lead PROVATI<sup>3</sup> was reassigned and the current project director took over the leadership of PROVATI<sup>3</sup>. Additional staff on boarded over the summer of 2019 and it is foreseen that the PMU will be fully staffed by January 2020.
- In spite of the slow start up, significant progress has been made under component 1.2 Climate Resilient Rural Communication Infrastructure with 95 km of roads against a project target of 320 km being in at different stages of completion. Then financial progress of this component currently is at 15%); and 90% is expected to be completed by June 2020. Similarly, under Subcomponent 1.3 Climate Resilient Rural Markets, the market master plans and land has been identified for 11 markets (project target 135). In addition, the MoUas and inception workshops for the climate and floods impact research (subcomponent 1.1) has bene completed and the selection of sites for flood shelter (subcomponent 1.4) has been completed.
- Although significant preparations have been made under subcomponent 2.1. The mission request the project to expedite implementation under subcomponent 2.2. A matter of concern is that no work could be started under subcomponent 2.3 Local Flood Forecasting and Dissemination System as MoU between LGED and DDM is yet to be signed. It is a critical and complementary subcomponent of the project that will provide flood warning to the local communities to strengthen their resiliency. Unless MoU is signed immediately the implementation will be further delayed as recruitment of a specialized organization by DDM to implement the subcomponent is expected to take time. MoU between WFP and LGED is yet to be signed as WFP is yet to clear the draft.
- Management systems such as financial management, procurement, implementation, and monitoring of the project at LGED are in place. The PMU/LGED has planned to expedite implementation to compensate for lost time and produce significant output by June 2020.

## D. Overview and Project Progress

### Component 1: Climate Resilient Infrastructure and Community Shelters

- Subcomponent 1.1 Climate change/flood preparedness research for building climate resilient infrastructure *The performance of Subcomponent 1.1 is rated moderately satisfactory (4) with the* as the MoU between LGED and BUET has been signed, the first instalment has been transferred and implementation plan has been prepared in a satisfactory manner. IWFM will be responsible for procurement (e.g. procurements of DEM data, machines etc) and is in the process of recruiting master's students as research associates given that Post-doctoral researchers are not available. The PMU/LGED will supply i) typical design for road, market structure, flood shelter etc and ii) electronic shape files to IWFM to update design as per results of the research and to observe climate change impact on inundation on present roads, respectively.
- Sub-component 1.2 Climate Resilient Rural Communication Infrastructure *The performance of Subcomponent 1.2 is rated satisfactory (5) due to progress in design estimation, contracting, and construction of Union/village roads.* The project has approved estimation of 51 construction packages with 95.58 km of Union/Village roads as of November 2019 amounting Taka 811.75 million. Another 18 packages with 38.37 km amounting Taka 457.6 million is under process and will be contracted in this financial year. Of the approved 51 packages 46 have been contracted out (89.25 km road and Taka 708. 06 million). The financial progress ammounts to 15% because of delay in funds transfer to operating account. PMU expects to complete 90% of by June 30, 2020. In addition, about 30% of works will be completed by June 2020 of packages under process.
- Sub-component 1.3 Climate Resilient Rural Market Development This subcomponent 1.3 is rated moderately satisfactory (4) as MMCs have been formed in 74 out of 135 markets planned for development (see Table 1).

Besides, periphery of 49 and topographic survey of 80 markets, and master plan for 14 markets have been completed, and 11 markets are ready to be contracted out to the LCS groups. The project needs to promptly form LCS groups. Training on construction, management and social issues should be included now.

- **Sub-component 1.4: Climate Resilient Community Shelter cum School.** This subcomponent is rated moderately satisfactory (4). Currently, the sites for construction of the cyclone shelters have been selected and the cyclone shelters have been designed. The mission considers that this sub-component will be an important part of community preparedness against floods. The mission requests that each shelter must have paved access road, water supply, and proper sanitary toilets separate for men and women. Since design, construction and handing over to management committee, sometimes may take more than two years, the PMU should i) finalize selection, ii) design and iii) contracting out all shelters by FY 2019-20 to provide full benefits to the beneficiaries within project period.
- **Sub-component 1.5: Training on Climate/Flood-Proof Resilient Infrastructure Design and Construction.** The activities under this subcomponent are linked to the completion of activities under subcomponent 1.1. The proposed training is targeted at engineers of LGED who have been involved in design and construction of road, culvert/bridge, markets, flood shelters etc. Such a course will be designed and offered by experts from LGED, Dept. of Civil Engineering of BUET, IWMF/BUET and by individual experts. The PMU will facilitate the development of course materials and organizing the training course (multiple batches).

## Component 2: Resilient Communities Through Employment and Early Flood Warning

- **Subcomponent 2.1** supports the capacity building of LCS Members and their livelihood development. This sub-component is rated moderately satisfactory due to the excellent preparatory measures taken so far (see gender). The objective of this sub-component is to empower 15,000 men and women and move them out of extreme poverty. PROVATI<sup>3</sup> will recruit LCS to be involved in civil works (70% women) & women's markets sections, road O&M and road maintenance (100% women). After reviewing the results under this sub-component, it should be anticipated that the output indicator of 15,000 needs to be decreased during implementation as the number of LCS members only amounts to approximately 8,000. The implementation of this component falls under the responsibility of the gender specialist, who joined the multiple field workshops to orient field staff on the objective of the sub-component.
- **Subcomponent 2.2 Skill Development of Youth for employment.** The performance of this subcomponent 2.2 is rated moderately unsatisfactory (3) as no measurable achievement has been made such as contracting training providers or launching any training course other than some preliminary investigation about potential training providers. This component is building on the success of similar activities implemented by HILIP-CALIP. The success of this component broadly depends on the following factors: (i) proper selection of trainees, (ii) quality of training and (iii) work placements offered by training providers. The annex includes some additional points taken in account to.
- **Achievement in Sub-component 2.3 Accurate local flood warning and dissemination system.** This subcomponent 2.3 has been rated *moderately unsatisfactory* (3) given the significant delays in signing the MoU between LGED and DDM. The mission expresses concerns about the lack of progress in this subcomponent. With assistance of IFAD an initial Memorandum of Understanding (MoU) to arrange the partnership between DDM and LGED has been written. DDM received the memo from LGED, but failed to conclude on the document, in spite of repeated follow-up by IFAD and LGED. DDM indicated that this delay was caused to due to multiple changes in leadership since the start of the project. DDM assured that by now the project had appropriate buy in from its leadership and only some logistical problems (e.g. office space and transportation) are to be resolved. The mission noted that DDM does not have internal capacity to implement the subcomponent. Therefore, as per design, a specialized organization with skill and experience in flood forecasting will be attracted by DDM to implement the activity and assist DDM to develop in-house capacity to manage the system beyond the project period. DDM will need technical assistance to prepare TOR, and develop EOI documents and evaluation criteria for engaging such agency. The main criteria for selecting a firm are: (i) technical modelling capacity, (ii) past experience of such community based forecasting system, (iii) experience of community mobilization, (iv) simplicity and viability of dissemination system proposed, (v) sustainability of technical and management system proposed by the bidder, and finally, (vi) cost.
- **Achievement in Sub-component 2.4 Practical Policy Actions** This sub-component is rated moderately satisfactory (4) due progress under the establishment of the CPS and the fact that practices are taken over from other LGED funded projects such as CCRIP. This subcomponent focuses on internal governance, regulations and policies, as well as broader knowledge dissemination and policy engagement. It addresses aspects of more programmatic approaches, evidence-based learning and policy engagement, as well as partnership building. In spite of repeated follow-up, the The main activities are i) practical policy initiatives to share experience, practices and knowledge within LGED, ii) mapping of poverty and nutrition status by WFP, and iii) support for LGED's climate unit and setting up of CPS unit.

Agreed Action	Responsibility	Agreed Date
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<b>Supply of design and shape files by PMU to IWFM</b> Supply typical design for road, market structure, flood shelter etc and electronic shape files to IWFM	PMU/LGED	12/2019
<b>Revise target for road construction in AWPB</b> Revise AWPB by increasing annual construction targets in areas not affected by annual floods	PMU	12/2019
<b>Revise target for market development in AWPB for FY2019-20</b> Revise AWPB by increasing annual construction targets.	PMU	12/2019
<b>Revise target for market development in AWPB for FY2019-20</b> Revise AWPB by increasing annual construction targets	PMU	12/2019
<b>Management of Subcomponent 2.1</b> The activities of subcomponent 2.1 to be led by project's gender specialist	PMU	12/2019
<b>Start recruitment process of providers</b> Draft EoI, Revise TOR and distribute EOI documents	PMU	12/2019
<b>Sign MoU between LGED and DDM</b> DDM to complete review and send revised draft MoU and sign MoU.	DDM	12/2019
<b>Technical assistance to DDM</b> Engage an expert consultant to i) elaborate Annex – of MOU, ii) draft TOR for engaging a specialized organization, iii) Prepare EOI document; iv) Develop evaluation criteria to review EOI and full proposal from specialized organizations	IFAD	12/2019
<b>Preparation of all documents mentioned above</b> Complete preparation of all documents mentioned above by the consultant	DDM	12/2019
<b>Formation and training of LCS</b> Complete formation and training of LCS groups for all market targeted for FY2019-20.	PMU	03/2020
<b>Formation and training of LCS</b> Complete formation and training of LCS groups for all market targeted for FY2019-20.	PMU	03/2020
<b>Finalize site selection for all shelter-cum-schools</b> Finalize selection of all shelters as per project criteria and by visiting proposed sites by senior officials from PMU (LGED HO).	PMU	03/2020

<b>Recruit NGO-MFIs as retainer</b>  Recruit NGO-MFIs as retainer service provider for training of LCS members.	PMU/LGED	03/2020
<b>Completion of recruitment process of providers</b>  Follow and complete recruitment process of NGO-MFIs and other providers as per strategy described in para ---	PMU	03/2020
<b>Training on construction manual</b>  Organize training of all project field engineers on the construction manual	PMU	06/2020
<b>Contracting of all shelters</b>  Complete design and contracting of all shelters with appropriate construction elements described above and giving due consideration of drainage, water and sanitation facilities.	PMU/LGED	06/2020
<b>Formation of management committee</b>  Form shelter management committee with overall responsibilities on Headmaster and other teachers as they (and students) are the main beneficiaries and users of the facilities as most of the normal time.	PMU/LGED	06/2020
<b>Development of database for trainees</b>  Develop database as described in para -----.	PMU	06/2020
<b>Updating design and impact on roads</b>  Update design of typical infrastructure and impact of climate change on roads as per research results	IWFM	12/2020
<b>RCC roads in sections affected by occasional inundation</b>  Design and construct RCC roads in full or part of roads that is inundated frequently	PMU/LGED	12/2020
<b>Surface drainage</b>  Adequate surface drainage should be provided/kept for longer duration of roads in the home stead and market	PMU	12/2020
<b>Visit by Regional engineer</b>  Regional Engineer must visit prior to design of each road, market and shelter to observe physical conditions to ensure proper design as well as criteria of the project.	PMU/LGED	12/2020
<b>Slope protection by Vetiver</b>  Engage LCS for production, application and maintenance of vetiver for road slop protection	PMU	12/2020

<b>Monitoring and research on vetiver</b>  Engage BUET to independently monitor and research on performance of vetiver in sandy soil (as has been done in HILIP/CALIP and CCRIP)	PMU	12/2020
<b>Adoption of construction manual by CCRIP</b>  Adopt construction manual produced by CCRIP to ensure proper design, management and supervision of project funded infrastructure	PMU	12/2020
<b>Appropriate environmental consideration in market design</b>  Design and construct market giving due consideration of drainage and water facilities.	PMU/LGED	12/2020
<b>Participation of project sub-assistant engineer</b>  Ensure full participation of project Sub-assistant engineer in market design.	PMU/LGED	12/2020
<b>Appropriate environmental consideration in market design</b>  Design and construct market giving due consideration of drainage and water facilities.	PMU/LGED	12/2020
<b>Participation of project sub-assistant engineer</b>  Ensure full participation of project Sub-assistant engineer in market design	PMU/LGED	12/2020
<b>Develop training module</b>  Develop training modules on design and construction of infrastructure in flood prone and vulnerable with by incorporating findings of researches under subcomponent 1.1	PMU	12/2020
<b>LCS (road maintenance) for slope protection</b>  Add slope protection by vetiver as additional work for road maintenance by LCS members. They should produce vetiver in their own nurseries and plant them on road slopes.	PMU	12/2020
<b>Organize training courses</b>  Organize training course (multiple batches) on design and construction of infrastructure in flood prone and vulnerable zone to instructed by expert from LGED, Civil Engineering Department of BUET, IWFM/BUET and individual experts.	PMU/LGED	06/2021

## E. Project implementation

### a. Development Effectiveness

#### Effectiveness and Developmental Focus

Effectiveness

Rating: 4

Justification of rating

PROVATi<sup>3</sup> became effective on 11/02/2018 and an IFAD pré start-up mission fielded to the project in April 2018. Although the DDP was designed during this pré start-up mission, the project failed to become included in the Government of Bangladesh's annual development plan (ADP). For that reason, it was not able to obtain funds to support the project. In addition, the project director was reassigned and a new project director assumed office in April 2019. Despite some initial delays caused by a change in management and delayed staffing of the PMU, PROVATi<sup>3</sup> has been able to make significant implementation progress under component 1 and vital preparatory works under component 2.1. PROVATi<sup>3</sup> concluded the recruitment of key project staff with few recruitments to be finalized by January 2020. A start-up workshop was concluded in July 2019 and regional workshops to present the project at field levels have been finalized in September 2019.

## Log-Frame Analysis & Main Issues of Effectiveness

Progress at output level remains insignificant as the project is still in the early stage of operational roll out. A review on the logframe design, in comparison with the mission's field assessment on beneficiaries' needs of support, confirmed that the logical linkage between outputs and outcomes remains consistent and relevant; the theory of change remains to be valid at this stage of implementation.

### Development Focus

#### Targeting and Outreach

Rating: 4

#### Justification of rating

The project's targeting strategy is rated (4) moderately satisfactory. In terms of geographical targeting a recent World Bank study confirmed that the project is implemented in the 25 poorest subdistricts and upazila's of Bangladesh. When it comes to direct targeting, the guidelines and approaches for selecting LCS members have been developed and some initial background work on the targeting guidelines for the skills development training have been developed. The mission requests the project to also carefully review the project design document and PIM to finalize the selection procedures for beneficiaries under component 2.2.

#### Main issues

n/a

### Gender equality & women's participation

Rating: 5

#### Justification of rating

Gender equality and women's participation is rated satisfactory (5). A gender specialist joined the PMU in June 2019 and is responsible for training the LCS groups on livelihood development and the GALS interventions under component 2.1 as well as the implementation of the overall gender strategy. A first gender strategy has been developed and shared with IFAD on 8 September 2019. The strategy is a high-level document focusing on the objective of the intervention, targeting and expected outcomes. In addition, the gender specialist developed a draft gender training manual, a brochure on the project's gender focus, a training Module on social Awareness raising of LCS and multiple basic awareness raising materials (including video) have been gathered. Of these, especially the draft gender awareness raising training module provides a good starting point for the introduction of GALS. Additional guidance will be provided from IFAD to assure that PROVATi<sup>3</sup>'s interventions fully qualify as GALS intervention. In addition, tracking sheets to assure that gender disaggregated data will be collected has been developed. So far, the mission commends PROVATi<sup>3</sup> efforts to mainstream gender in the project and is satisfied with the progress done so far to mainstream gender in project activities. Finally, nine women are recruited by the project, which is 17% of the total project staff.

#### Main issues

n/a

Agreed Action	Responsibility	Agreed Date
<b>GALS specialist to support PMU</b>  IFAD will field a gender specialist to support the PMU with finalizing the GALS interventions.	IFAD	12/2019

### Agricultural Productivity

Rating: N/A

### Nutrition

Rating: N/A

**Adaptation to Climate Change****Rating: 4****Justification of rating**

The project focusses on making the most vulnerable communities more resilient to climate change and related shocks through interventions under sub-components 1.4 and 2.3. Interventions under sub-component 2.3 will assure that beneficiaries are duly informed in the case of an adverse climate event. Unfortunately, these activities are delayed due to the delayed signing of the MoU between LGED and DDM. PROVATi<sup>3</sup> did progress on the selection of sites to construct cyclone shelters and an initial assessment indicates that the selected sites seem appropriate to serve as cyclone shelters if needed.

**Main issues**

n/a

**b. Sustainability and Scaling up****Institutions and Policy Engagement****Rating: 4****Justification of rating**

Institutions and policy engagement is rated 4 moderately satisfactory. Delays are noted with the implementation of some of the activities under sub-component 2.4 "practical policy initiatives due to for example the delayed signing of the MoU between IFAD and WFP. However, PROVATi<sup>3</sup> did already fulfil its co-financing commitments to the PROVATi<sup>3</sup> climate division and the mission was extremely pleased to note that multiple methods, approaches and research are taken over from other projects in LGED. For example, PROVATi<sup>3</sup> uses the climate resilient construction guidelines as developed by CCRIIP.

**Main issues**

n/a

**Partnership-building****Rating: 3****Justification of rating**

PROVATi<sup>3</sup> maintains multiple external partnerships with for example the World Food Programme, BUET and DDM. Partnership building is rated moderately unsatisfactory (3). Despite the consistent follow-up from the LGED and the IFAD, LGED was only able to successfully conclude the agreements between WFP and DDM. The partnership with BUET however was well established. Above and beyond the terms of reference as included in the MoU, PROVATi<sup>3</sup> indicated that the BUET provides information and guidance to the project on request and at an ad hoc basis.

**Main issues**

N/a.

**Human and Social Capital and Empowerment****Rating:****Main issues**

n/a

**Quality of Beneficiary Participation****Rating: 4****Justification of rating**

During the field visits, the mission found that beneficiaries were generally well accustomed with interventions rolled out or the proposed project interventions. Beneficiary participation and other stakeholder consultations are included in the project design at multiple stages. For example, a market management plan indicates where market sheds and other project interventions are constructed. These are developed with inputs from the Union Parishad, the Market Management Committee and local LGED staff. In addition, roads were selected during the project design phase under the supervision of local authorities. Given the adequate involvement of beneficiaries, this section is rated 4, moderately satisfactory.

**Main issues**

n/a

**Responsiveness of Service Providers****Rating: 4****Justification of rating**

The responsiveness of service providers is rated 4, moderately satisfactory. PROVATI<sup>3</sup> relies on LCS groups and local contractors for most of the services. Currently, 94 km of the roads are in various stages of implementation whilst no major quality concerns were reported. The LCS groups for road and market construction are still to be established, yet the project took the necessary measures to allow for the smooth and equitable selection of these groups. The mission recommends PROVATI<sup>3</sup> to research whether the principles of equal pay for equal work are applied by the contractors currently working for the project. In order to assure adherence to these principles, the mission recommends that equal pay for equal work clauses are included in the contracts with service providers.

**Main issues**

n/a

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>Equal pay</b>  Research whether the principles of equal pay are maintained by subcontractors and include equal pay clauses in contract agreements.	PMU	12/2020

**Environment and Natural Resource Management****Rating: 4****Justification of rating**

The open area of the constructed roads is being covered by turf (Vetiver) and there is a provision for maintenance of the turf for its long term sustainability. This will protect the environment from dust hazard. Moreover, the project has a tree plantation component which is an integral part of long term environmental conservation. Market management committees (MMCs) will look after cleanliness, water supply and sanitation, drainage, waste management and congenial atmosphere in and around the market (condition of trees/ plants, water bodies and, breathing conditions). When markets grow (which is an expected outcome of project interventions) MMCs will be able to collect more fees in market places and thus execute their tasks better.

**Main issues**

n/a

**Exit Strategy****Rating: 4****Justification of rating**

It is too early to rate the exit strategy but the strategy is built in within the activities. For examples, i) roads will be handed over to LGED for future repair and maintenance from GoB resources; ii) market will be managed by MMC and for repair and maintenance works it will receive 25% of annual toll collected from the market; iii) shelter cum school will be used as school managed by school committee; iv) LCS members will be linked local NGO-MFIs for access to finance; v) young adults will be placed in companies for wage employment or assisted by NGO-MFIs. Sustainability of flood forecasting model is yet to be seen but the design allows sustained forecasting services from DDM.

**Main issues**

n/a

**Potential for Scaling-up****Rating: 4****Justification of rating**

The project itself is scaling up of previous and on-going IFAD funded project. Rural roads, markets and shelter development have been included in the project due to demand as well as positive impacts on the community. There is huge demand from other areas. The sustainable poverty reduction by skill development of LCS members and linking them with NGO-MFIs has the potential for replication. The vocational training component has the potential of becoming commercial where participants pay for training.

**Main issues**

n/a

### c. Project Management

#### Quality of Project Management

Rating: 4

##### Justification of rating

Overall project management is rated moderately satisfactory (4). LGED has duly appointed project director and deputy project director. All specialist positions in the PMU are fulfilled with the Design Engineer and Market Designer joining the PMU shortly. All three Regional Engineers, who are critical field positions, are now working fulltime for the project. Besides, recruitment of all other positions is completed. The mission found there to be a good working atmosphere in the PMU with dedicated project staff who maintain a good line of report among themselves. Finally, the project steering committee as well as all other steering committees are fully operational and convened already at the first indicated moment.

##### Main issues

n/a

#### Knowledge Management

Rating: 4

##### Justification of rating

It is too early to produce knowledge document and dissemination since M&E system did not produce sufficient data yet. However, the project has developed number of brochures covering the project basic information by components taken from the PDR and PIM. A gender action plan has also been produced by the gender and social inclusion specialist. The PMU should take an initiative to develop project website including a separate domain for vocational trainee profiles, a project facebook page and regularly share progress and knowledge in the website as well as IFAD Asia face book page and IFAD Asia webpage.

##### Main issues

n/a

#### Value for Money

Rating: 4

##### Justification of rating

It is too early to rate this since it is linked with project output and outcome but the project does not have yet sufficient output to measure the input output ratio to judge the value for money. Cost per beneficiary household is a good indicator for measuring value for money but the project does not have yet reported the number of beneficiaries they reached. However given the targeting of the project location and planned beneficiary selection strategy if executed as planned will ensures highest value for money as it will creates maximum impacts serving the least developed areas and their vulnerable population.

##### Main issues

n/a

#### Coherence between AWPB and Implementation

Rating: 4

##### Justification of rating

The project lost almost one year to resolve initial administrative issues. But it is following the current AWPB and plans to accelerate implementation. It is expected that the full target of FY 2019-20 will be achieved given the GOB budget allocation provided that year.

#### AWPB Inputs and Outputs Review and Implementation Progress

The project's fund disbursement is at 8% (loan) and 28% (Grant). Spending rate is slow, only 16% of the first Annual Work Plan Budget (AWPB) for eighteen months. But if commitments of USD 9,974,058 is included that would bring the execution rate to 87%. The mission's main recommendation at this stage is to accelerate implementation as the project has completed all preparatory works.

**Justification of rating**

M & E system is rated moderately satisfactory (4). Currently, the project gathers physical and financial data collected by field level livelihoods officers in a satisfactory manner. The project started the baseline survey process and submitted an EoI to 27 firms. The baseline survey will include logframe indicators, as well as the ORMS core indicators. The final report will be delivered by the end of April 2020. This baseline survey will cover only the output and outcome of project component 1 and potential LCS members. However, during the preparation of the household questionnaire there should be a section for youth, if any household have youth member in their household then the survey should collect the basic profile of the youth member (s) including their age, education, mobile number, present job/occupation/work status and monthly/annual earning/income. The mission, in consultation with the PMU, has fine-tuned the TOR and questionnaire for baseline survey.

**M&E System Review**

A standardized MIS will be necessary that will ensure collection of data component and by activity. The future system should have capacity to handle completed and partially complete activities to capture the full picture of physical progress. In some cases, for example, completed and partially completed information of roads, markets, flood-shelter needed to be recorded. In case of vocational training, MIS will need to record trainees completed training and trainees in progress. The mission recommends to monitor each of the activities and processes in detail including the preparatory activities in addition to monitor the physical and financial progress of the output. The mission recommends an online/real-time MIS so that all entries are automatically updated and reports generated, that eliminates the need for sending any report.

All project data have to be gender segregated. To ensure accuracy of data the project needs provide training on logframe and data reporting to field level staff members. The project should record GPS locations for each selected road, market and flood shelter. Baseline information about business in selected market, road traffic should be recorded now for future impact studies.

For component 2 the mission suggests that the M&E system should have a participatory aspect, which would help both the project on delivery side and the beneficiary communities on the receiving end. Since vocational training will be provided by the third party service providers, they should make a trainee profile for each trainee by including their location, age, education, mobile number, present job/occupation/work status and monthly/annual earning/income and submit that in the project managed on-line database. To assess the effectiveness of the training, the service providers should do some knowledge test before and after the training. The mission, in consultation with the PMU, has fine-tuned the TOR for vocational training service providers. Similarly, MMC can keep the record for markets including number of traders and buyers, product price, auction value as well as the trade volume and value in their respective markets. The mission recommends that PMU particularly MEK specialist should guide and provide specific format to keep such records by the MMC from now on.



<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>MIS</b> Developing TORs and contracting of service provider for management information system (MIS) package and training off the shelf software and customization.	PMU	01/2020
<b>Baseline survey</b> Complete the baseline survey and make available the report	PMU	04/2020
<b>Digital communication</b> Develop Provati project websites and additional domain for vocational trainees profile, FACEBOOK page	PMU	11/2020
<b>M&amp;E and KM</b> M&E and Knowledge management training for tracking the detail physical, financial progress, activity and process monitoring for the filed TA staffs in each region	MEK, PMU	12/2020
<b>Progress report</b> Submit quarterly, bi-annual and annual progress report	PMU	12/2020

#### **Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)**

**Rating: 4**

#### **Justification of rating**

SECAP is rated moderately satisfactory (4). Though not fully started yet, the project activities are expected to have positive impacts on social, environmental and climate change in project Upazilas. In order to do so, the LGED standard guidelines and designs should be followed during implementation. The mission recommends that specific attention should be given to assure that proper drainage systems are included in the market designs and that waste management is an integral part of the training of market management committees. For roads, it is important that they will not obstruct the direction of natural water flows.

#### **SECAP Review**

n/a

### **d. Financial Management & Execution**

#### **Acceptable Disbursement Rate**

**Rating: 2**

#### **Justification of rating**

'The project is in its 1st year of implementation and its disbursement rate is 9%. There have not been extensions.

#### **Main issues**

The overall disbursement rate of the project as of 17 November 2019 is 9% including the initial advance (8% for Loan, 28 % for Grants). The project has liabilities amounting USD 9,856,716, this may lead to an increase in the disbursement rate up to 20% in the near future.

Disbursement from the loan and grant by component and category expenditure as of 17 November 2019 are shown in Appendix 1.

#### **Fiduciary aspects**

#### **Quality of Financial Management**

**Rating: 3**

## **Justification of rating**

The mission rated PROVATi3 as moderately unsatisfactory on quality of financial management. The rating based on the findings observed in the mission. With the Financial Specialist and Accountant on board, the project was able to maintain records manually (subject to human error). PIM is not finalized. The project is facing difficulties to align cost in the approved DPP (Development Project Proposal) against the project cost tables. The mission recommends revising the DPP during MTR. The financial information of the FY 2019 required by the mission was obtained from the manually maintained Spreadsheet.

## **Main issues**

### **Organization and staffing**

The project became effective in February 2018. There have been delays in the recruitment of PMU financial management staff members: Project Accountant (PA) joined on Nov 2018 and Financial Management Specialist (FMS) on May 2019. The team is supported by 2 casual staff (on minimum daily wages).

At District PIU, the project recruited Accountant and two accounts assistant. The team shared responsibilities with other projects as well (e.g. 5 projects in Rangpur). Also, 1 Account Assistant & 1 TomPro data entry operator dedicated for the project will be recruited.

### **Fund Flows & Disbursement Arrangements**

The project's fund disbursement is at 8% (Loan) and 28% (Grant). Refer to Appendix1. Spending rate is slow, only 16% of the first Annual Work Plan Budget (AWPB) for eighteen months. But if commitments of USD 9,974,058 is included that would bring the execution rate to 87%.

The Mission reviewed WA 02 and did not find any major issues with the SOE supporting documents. However, in one case, the Selection/Evaluation report for road construction works procured under LTM (Limited Tender Method) indicated selection made on a lottery basis.

### **Internal Controls**

With only FMS & PA on board at PMU, most tasks are shared by them. However other non-financial staff (engineers) are involved in checks and authorizations (segregation of duties). Recruitment of two Accounts Assistant in progress.

### **Accounting, Financial Reporting and Monitoring**

The project records its accounting and financial information in manual books and spreadsheets, which is time-consuming and subject to human errors. Accounting software (TomPro) expected to be installed by the end of December 2019.

The mission finds PMU's Fixed Asset and Inventory register well maintained and did not find any major issue. The mission also visited the District PIU at Rangpur and found Fixed Asset Register with limited details. The mission and FMS supported the PIU in setting up a proper Fixed Asset Register. FMS will train all District PIUs' on proper asset tagging and records keeping. No physical verification was conducted or documented previously. The mission recommends having periodic stock take of fixed assets, at least once in a year.

DPP classification of expenses contradicts to Loan Agreement may hinder payment process if not resolved soon. A 10% savings on all activity line expected throughout the project life: DPP line cost is based on the base cost of the cost table. Though physical and price contingencies listed as separate expenditure line in DPP, the amount allocated may not be easily accessed under normal circumstances. Some expense in DPP not in line with IFAD's expense category (e.g. Equipment as consultancy). The structure of DPP is not aligned to project activities and some not listed in the Cost Table causing difficulties in the preparation of AWPB and making payments. It is agreed that this shall be resolved during MTR. The mission recommends AWPB to be presented as per activities and cost as agreed in the agreement.

The mission review shows that proper authorization obtained before making any payments and finds room for improvement in the filing and record-keeping system of the project. FM section of PIM needs revisions.

The mission noted periodic Financial statements and bi-annual Interim Financial Statements were not submitted to IFAD.

Performance of financial management mainly affected by the absence of automated accounting system, PIM not finalized, IFR not submitted and inconsistent classification of expenses in DPP against agreed expense categories in project design.

### **Internal Audit**

The internal audit function is not established for PROVATi3 yet. The project shall engage existing LGED's Internal Auditors and include the 6 District PIU in its scope.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Internal Auditor</b> Engage LGED Internal Auditor	Provati	01/2020
<b>Procure Accounting System</b> Install TomPro and customize as per project needs	Provati	01/2020
<b>Recruit key personnel</b> Recruit Account Assistants and TomPro data entry operators	Provati	01/2020
<b>Submission of IFRs &amp; Financial Statement</b> Submit Interim financial statement and periodic financial statement	Provati	03/2020

#### **Quality and Timeliness of Audit**

**Rating: 4**

#### **Justification of rating**

The audit report of the FY 2018-2019 will be due in December 2019. The audit has not commenced. Delay in the submission of reports is expected

#### **Main issues**

The mission agreed that the first audit of the project will include 17 months period, 13 February 2018 to 30 June 2019. It was also agreed that PROVATI3 will engage with Foreign Aided Project Audit Directorate (FADAP) as External Auditor (ISSAI Guidelines will be followed). No formal engagement is concluded and no audit schedule planned to date. Delays in submission of Audited Financial Statement and Management Letter is expected.

The mission shared with the project the new "IFAD Handbook for Financial Reporting and Auditing" and the template of the ToRs to be used in audits.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Engage External Auditor - Foreign Aided Project Audit Directorate (FAPAD)</b>	Provati	01/2020

#### **Counterparts Funds**

**Rating: 3**

#### **Justification of rating**

Disbursement rate of counterpart contribution from the Government is at 2%. Rated moderately unsatisfactory

#### **Main issues**

Government Contribution- Cash contribution of USD 429,650 consists of operating cost, VAT and Income Tax payments. The government also provided a total contribution USD 3,000 as in kind consists of office space, government staff salaries, utilities and communication costs. No delays faced in receiving government contributions. Disbursement rate is only 2 %.

#### **Compliance with Loan Covenants**

**Rating: 4**

#### **Justification of rating**

The project has complied with most loan covenants, except for procurement of insurance for project's fixed asset, submission of Interim bi-annual Financial Statements and submission of yearly Financial Statement.

#### **Main issues**

Goods of the project except for Motor Vehicles are not insured. Office space (Building) is provided in kind by the GoB is not insured as well.

## Procurement

### Procurement

Rating: 4

#### Justification of rating

Procurement management is rated as Moderately Satisfactory (4). The rating is based on: the actual procurement transactions undertaken were different from planned procurement transactions envisaged in the Procurement Plan [PP], not solicited IFAD's no objection for prior reviewed procurement transactions, 2 out of 6 contracts reviewed rated as moderately unsatisfactory' and not using PP as monitoring and review tool. Additional information on procurement can be found in the technical recommendations.

#### Procurement Review

n/a

## e. Key SIS Indicators

### Likelihood of Achieving the Development Objective

Rating: 4

#### Justification of rating

Please refer to the report

### Assessment of the Overall Implementation Performance

Rating: 4

#### Justification of rating

Please refer to the report

## F. Relevance

### Relevance

Rating: 4

#### Justification of rating

At this stage of implementation, the design remains to be consistent with the needs of the target groups and aligned with both IFAD as well as national priorities. Specifically, the mission noted that the project is implemented in Bangladesh's most vulnerable area in terms of poverty and vulnerability to climate change.

#### Main issues

n/a

## G. Lessons Learned

### Lesson from other project

Further to lessons learned from other IFAD funded projects, the following practical lessons learned should be implemented:

- Insurance should be provided to all LCS members.
- Special LCS members should be convened for the construction of women's market sections.
- FMOs should perform quality controls on the ground parallel to regular LGED staff.

### Knowledge transfer

PROVATI<sup>3</sup> builds upon successful interventions piloted in CCRIP and HILIP-CALIP. Knowledge from CCRIP was partly taken over by staff transferring from CCRIP to PROVATI<sup>3</sup>. The knowledge transfer from HILIP-CALIP to PROVATI<sup>3</sup> was

more difficult and measures should have been taken to assure this knowledge transfer.

## Basic communication infrastructure for agricultural development

Basic infrastructure such as village roads connecting farms/villages with markets and development of rural markets as a place for transactions of farm products directly benefit farming families and others. This is being also demonstrated in areas where roads have been completed under the project.

## Poverty targeting by geographical targeting

The project will have massive impact on a large poor and vulnerable population due to geographical targeting for basic infrastructure development. The design used i) poor infrastructure, ii) vulnerability due to floods; iii) population under poverty line etc to determine project areas. The infrastructure development as well as vocational training and flood forecasting will now automatically benefit the whole population.

## H. Agreed Actions

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Overview and Project Progress</b>		
<b>Supply of design and shape files by PMU to IWFM</b> Supply typical design for road, market structure, flood shelter etc and electronic shape files to IWFM	PMU/LGED	12/2019
<b>Revise target for road construction in AWPB</b> Revise AWPB by increasing annual construction targets in areas not affected by annual floods	PMU	12/2019
<b>Revise target for market development in AWPB for FY2019-20</b> Revise AWPB by increasing annual construction targets.	PMU	12/2019
<b>Revise target for market development in AWPB for FY2019-20</b> Revise AWPB by increasing annual construction targets	PMU	12/2019
<b>Management of Subcomponent 2.1</b> The activities of subcomponent 2.1 to be led by project's gender specialist	PMU	12/2019
<b>Start recruitment process of providers</b> Draft EoI, Revise TOR and distribute EOI documents	PMU	12/2019
<b>Sign MoU between LGED and DDM</b> DDM to complete review and send revised draft MoU and sign MoU.	DDM	12/2019
<b>Technical assistance to DDM</b> Engage an expert consultant to i) elaborate Annex – of MOU, ii) draft TOR for engaging a specialized organization, iii) Prepare EOI document; iv) Develop evaluation criteria to review EOI and full proposal from specialized organizations	IFAD	12/2019

<b>Preparation of all documents mentioned above</b> Complete preparation of all documents mentioned above by the consultant	DDM	12/2019
<b>Formation and training of LCS</b> Complete formation and training of LCS groups for all market targeted for FY2019-20.	PMU	03/2020
<b>Formation and training of LCS</b> Complete formation and training of LCS groups for all market targeted for FY2019-20.	PMU	03/2020
<b>Finalize site selection for all shelter-cum-schools</b> Finalize selection of all shelters as per project criteria and by visiting proposed sites by senior officials from PMU (LGED HO).	PMU	03/2020
<b>Recruit NGO-MFIs as retainer</b> Recruit NGO-MFIs as retainer service provider for training of LCS members.	PMU/LGED	03/2020
<b>Completion of recruitment process of providers</b> Follow and complete recruitment process of NGO-MFIs and other providers as per strategy described in para ---	PMU	03/2020
<b>Training on construction manual</b> Organize training of all project field engineers on the construction manual	PMU	06/2020
<b>Contracting of all shelters</b> Complete design and contracting of all shelters with appropriate construction elements described above and giving due consideration of drainage, water and sanitation facilities.	PMU/LGED	06/2020
<b>Formation of management committee</b> Form shelter management committee with overall responsibilities on Headmaster and other teachers as they (and students) are the main beneficiaries and users of the facilities as most of the normal time.	PMU/LGED	06/2020
<b>Development of database for trainees</b> Develop database as described in para -----.	PMU	06/2020
<b>Updating design and impact on roads</b> Update design of typical infrastructure and impact of climate change on roads as per research results	IWFM	12/2020
<b>RCC roads in sections affected by occasional inundation</b> Design and construct RCC roads in full or part of roads that is inundated frequently	PMU/LGED	12/2020

<b>Surface drainage</b>  Adequate surface drainage should be provided/kept for longer duration of roads in the home stead and market	PMU	12/2020
<b>Visit by Regional engineer</b>  Regional Engineer must visit prior to design of each road, market and shelter to observe physical conditions to ensure proper design as well as criteria of the project.	PMU/LGED	12/2020
<b>Slope protection by Vetiver</b>  Engage LCS for production, application and maintenance of vetiver for road slop protection	PMU	12/2020
<b>Monitoring and research on vetiver</b>  Engage BUET to independently monitor and research on performance of vetiver in sandy soil (as has been done in HILIP/CALIP and CCRIP)	PMU	12/2020
<b>Adoption of construction manual by CCRIP</b>  Adopt construction manual produced by CCRIP to ensure proper design, management and supervision of project funded infrastructure	PMU	12/2020
<b>Appropriate environmental consideration in market design</b>  Design and construct market giving due consideration of drainage and water facilities.	PMU/LGED	12/2020
<b>Participation of project sub-assistant engineer</b>  Ensure full participation of project Sub-assistant engineer in market design.	PMU/LGED	12/2020
<b>Appropriate environmental consideration in market design</b>  Design and construct market giving due consideration of drainage and water facilities.	PMU/LGED	12/2020
<b>Participation of project sub-assistant engineer</b>  Ensure full participation of project Sub-assistant engineer in market design	PMU/LGED	12/2020
<b>Develop training module</b>  Develop training modules on design and construction of infrastructure in flood prone and vulnerable with by incorporating findings of researches under subcomponent 1.1	PMU	12/2020
<b>LCS (road maintenance) for slope protection</b>  Add slope protection by vetiver as additional work for road maintenance by LCS members. They should produce vetiver in their own nurseries and plant them on road slopes.	PMU	12/2020

<b>Organize training courses</b>  Organize training course (multiple batches) on design and construction of infrastructure in flood prone and vulnerable zone to instructed by expert from LGED, Civil Engineering Department of BUET, IWFM/BUET and individual experts.	PMU/LGED	06/2021
<b>Development Effectiveness</b>		
<b>GALS specialist to support PMU</b>  IFAD will field a gender specialist to support the PMU with finalizing the GALS interventions.	IFAD	12/2019
<b>Sustainability and Scaling up</b>		
<b>Equal pay</b>  Research whether the principles of equal pay are maintained by subcontractors and include equal pay clauses in contract agreements.	PMU	12/2020
<b>Project Management</b>		
<b>MIS</b>  Developing TORs and contracting of service provider for management information system (MIS) package and training off the shelf software and customization.	PMU	01/2020
<b>Baseline survey</b>  Complete the baseline survey and make available the report	PMU	04/2020
<b>Digital communication</b>  Develop Provati project websites and additional domain for vocational trainees profile, FACEBOOK page	PMU	11/2020
<b>M&amp;E and KM</b>  M&E and Knowledge management training for tracking the detail physical, financial progress, activity and process monitoring for the filed TA staffs in each region	MEK, PMU	12/2020
<b>Progress report</b>  Submit quarterly, bi-annual and annual progress report	PMU	12/2020
<b>Financial Management &amp; Execution</b>		
<b>Internal Auditor</b>  Engage LGED Internal Auditor	Provati	01/2020
<b>Procure Accounting System</b>  Install TomPro and customize as per project needs	Provati	01/2020



<b>Recruit key personnel</b> Recruit Account Assistants and TomPro data entry operators	Provati	01/2020
<b>Engage External Auditor - Foreign Aided Project Audit Directorate (FAPAD)</b>	Provati	01/2020
<b>Submission of IFRs &amp; Financial Statement</b> Submit Interim financial statement and periodic financial statement	Provati	03/2020

## Promoting Resilience of Vulnerable through Access to Infrastructure, Improved Skills and Information

### Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result	Cumulative Result	Cumulative Result %	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members										
	Household members										
	1.a Corresponding number of households reached							ME system, outcome and impact surveys	annually	PMU	
	Households		120 000	360 000							
	1 Persons receiving services promoted or supported by the project										
	Females										
	Males										
Project Goal Sustainable livelihoods for poor households and smallholders in selected 25 upazilas of the Brahmaputra-Teesta flood plain aread of six nort-central districts of Bangladesh	Households reporting improvements in household asset ownership index							MPAT surveys, impact survey at baseline, mid-term and completion	three	PMU	Economy maintains or increases growth rates; price inflation for staple food (rice) remains below 10%;GoB emergency assistance is adequate for communities to recover
	households		25	66							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result	Cumulative Result	Cumulative Result %	Source	Frequency	Responsibility	
<b>Development Objective</b> Enhanced resilience of population of selected flood-prone upazilas through resilient infrastructure development, climate adaptation research and dissemination, promotion of selected construction technologies and improved economic opportunities	increase in income of extreme poor households							beneficiaries surveys and periodic assessments	annually	PMU	community acts upon flood warning and mobilized to use flood-shelters
	female headed households		15	35							
	male headed households		15	35							
<b>Outcome</b> 1. Climate resilient rural roads, markets and community shelters in project area are built, used and maintained.	Structures are managed and maintained according to agreed standards one year after rehabilitation/up-grading							surveys	at mid term and completion	PMU	100% infrastructure construction completed at year 5, no severe damage due to floods
	structures		30	100							
	participation of women in market management committees							surveys	annually	PMU	
	women participating		30	30							
<b>Output</b> 1.1 Infrastructure design standards updated based on CC assessment research	Design standards incorporating climate change/resilient aspects							design manuals of LGED	annual	PMU	Willingness of LGED to internalize research outputs
	designs		2	4							
<b>Output</b> 1.2 Climate resilient rural communication infrastructure constructed by the project (CI 2.1.5)	village and union roads upgraded/paved							project reports and MIS	annual	PMU	construction material costs remain within projected level; non prolonged flood restricting construction
	village and union roads		120	330							
	2.1.5 Roads constructed, rehabilitated or upgraded							site inspections, enironmental assessment			
	Length of roads		300	500							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result	Cumulative Result	Cumulative Result %	Source	Frequency	Responsibility	
<b>Output</b> 1.3 Climate resilient rural markets built (CI 2.1.6)	2.1.6 Market, processing or storage facilities constructed or rehabilitated							project reports and MIS, environmental assessments	annual	PMU	construction material costs remain within projected level; non prolonged flood restricting construction
	Market facilities constructed/rehabilitated		70	135							
<b>Output</b> 1.4 Multi-purpose school-cum-flood shelters built in charlands	school-cum-flood shelters newly built in charlands							project reports and MIS	annual	PMU	construction material costs remain within projected level; non prolonged flood restricting construction
	flood shelters		10	15							
<b>Output</b> 1.5 Training on climate resilient infrastructure design and implementation conducted	Engineers trained on climate resilient infrastructure							PMU reports	annual	PMU	LGED makes trainees available on time for the training courses.
	Engineers		30	60							
<b>Outcome</b> 2. Increased adaptive capacity fo vulnerable communities through diversified incomes and access to precise location-specific and early flood information in project upazilas	beneficiaries report increased empowerment and resilience (scorecard)							surveys, key informant interview	annual	PMU	Proper annual monitoring of representatives sub-set of households
	Males		30	60							
	Females		30	60							
<b>Output</b> 2.1 LCS members are trained for socio-economic progress through income generation activities (IGA) (CI 2.1.2)	2.1.2 Persons trained in income-generating activities or business management							surveys	baseline, mid-term	PMU	sufficient number of motivated micro-entrepreneurs available, 75% success rate building on project phasing
	Females		4 200	105 000							
	Males		1 800	45 000							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result	Cumulative Result	Cumulative Result %	Source	Frequency	Responsibility	
<b>Output</b> 2.2 Employment for youth in project area expanded through vocational skill development	Youth employed one year after completing training							reports, MIS	mid-term, completion	PMU	sufficient number of motivated micro-entrepreneurs available, no major slow-down of economy
	Young males		6 700	20 000							
	Young females		3 300	10 000							
<b>Output</b> 2.3 Development of local flood forecasting and dissemination system established	Vulnerable unions in project area receive and use flood early warning information							DDM/PMU reports, site visit reports	annual	DDM, developer of model	funds released on time to Department of Disaster Management (DDM) / Model Developer
	vulnerable unions		70	174							
<b>Output</b> 2.4 Institutional regulatory review conducted and integrated in policies	Policy 1 Policy-relevant knowledge products completed										funds released on time to DDM/Developer
	Number										

## **Bangladesh**

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### **Promoting Resilience of Vulnerable through Access to Infrastructure, Improved Skills and Information**

#### **Supervision Report**

#### **Appendix 1: Financial: actual financial performance; by financier by component and disbursements by category**

Mission Dates: 24 November to 05 December 2020  
Document Date 17/01/2020  
Project No. 2000001465  
Report No. 5323-BD

Asia and the Pacific Division  
Programme Management Department

## Appendix 1 - Provati

### IFAD Supervision Mission November 2019

Table 2A: Financial performance by financier (USD in Thousands), as at 17 Nov 2019

Financier	Approval	Disbursement	Percent disbursed
IFAD Loan	63 250.00	5 225.67	8%
IFAD Grant	1 250.00	344.67	28%
Government	27 900.00	424.77	2%
	<b>92 400.00</b>	<b>5 995.11</b>	<b>6%</b>

Table 2B: Financial performance by component (USD in Thousands) as at 17 Nov 2019

Component		IFAD LOAN			IFAD GRANT			GOB			TOTAL		
		Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
1	Climate Resilient Infrastructure and Community Shelters	52 240.00	-	0%	254.00	94.67	37%	22 376.00	-	0%	74 870.00	94.67	0%
2	Resilient communities through employment and early flood warning	7 975.00	-	0%	996.00		0%	3 454.00	-	0%	12 425.00	-	0%
3	Project Management	3 035.00	-	0%	-			2 070.00	304.88	15%	5 105.00	304.88	6%
4	Initial Advance		4 000.00			250.00						4 250.00	
		<b>63 250.00</b>	<b>-</b>	<b>0%</b>	<b>1 250.00</b>	<b>-</b>	<b>0%</b>	<b>27 900.00</b>	<b>424.77</b>	<b>2%</b>	<b>92 400.00</b>	<b>424.77</b>	<b>0%</b>

**Table 2C: IFAD Loan Disbursements (USD in Thousands, as at 17 November 2019) by category**

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending*	Total Disbursed	Balance	Per cent disbursed
I	Works	39 990	-		724	724	39 266	2%
II	Equipment & Materials	860	-		267	267	593	31%
III	Training and Workshop	7 410	-		60	60	7 350	1%
IV	Consultancies	4 650	-		47	47	4 603	1%
V	Recurrent Cost	4 020	-		47	47	3 973	1%
VI	Unallocated	6 320	-		81	81	6 239	1%
	Initial Deposit	-		4 000		4 000	(4 000)	
	<b>Total</b>	<b>63 250</b>	<b>-</b>	<b>4 000</b>	<b>1 226</b>	<b>5 226</b>	<b>58 024</b>	<b>8%</b>

**Note.**

\*Pending WA #2 amounts to \$1,144K and unclaimed amounts to \$ 70K. ( Total \$1,226 K in pipeline)

**Table 2C: IFAD Grant Disbursements (USD in Thousands, as at 17 November 2019) by category**

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending**	Total Disbursed	Balance	Per cent disbursed
I	Works	-	-	-		-	-	
II	Equipment & Materials	10.00	-	-		-	10.00	0%
III	Training and Workshop	320.00	-	-		-	320.00	0%
IV	Consultancies	610.00	-	-		-	610.00	0%
V	Recurrent Cost	180.00	-	-		-	180.00	0%
VI	Unallocated	130.00	-	-	94.67	94.67	35.33	73%
	Initial Deposit			250		250.00	(250.00)	
	<b>Total</b>	<b>1 250.00</b>	<b>-</b>	<b>250.00</b>	<b>94.67</b>	<b>344.67</b>	<b>905.33</b>	<b>28%</b>

**Note.**

\*\*Unclaimed amounts to \$94,674.56



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### **Promoting Resilience of Vulnerable through Access to Infrastructure, Improved Skills and Information**

#### **Supervision Report**

#### **Appendix 2: Physical progress measured against AWP&B**

Mission Dates: 24 November to 05 December 2020  
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**Appendix 2: Physical progress measured against AWP&B**

Component/Outcome			Indicator	Unit	Period: to 1 July-18 to 17 Nov'19			Cumulative	Appraisal	
Sub-component or Output					AWP&B	Actual	%	Actual	Target	%
A. Climate Resilient Infrastructure and Community Shelters										
	1. Climate change risks assessment for building climate resilient infrastructure			No	0.0	0	0	0	3.00	0
	2. Climate resilient rural roads			KM	59.0	5	8.47%	5	316.68	1.58%
	Road Rehabilitation			KM	275.0	0	0.00%	0	411.00	0
	3. Climate resilient rural market development			No	47.0	0	0.00%	0	170.00	0
	4. Climate resilient community shelter cum school			No	12.0	0	0.00%	0	20.00	0
	5. Training on climate resilient			Batch	0.0	0	0.00%	0	3.00	0
	Sub-component / Output									
B. Resilient Communities through Employment and Early Flood Warning										
	1. Capacity building of LCS members and Livelihoods Improvement			Batch	51	0	0		310	0
	2. Vocational training for off-farm employment			Batch	123.00	0	0		1200	0
	3. Research and development of flood information and dissemination system			LS Lakh Tk	428.34	0	0		1909	0
	4. Practical policy reviews			LS Lakh Tk	40				250	
C. Project Management & technical support										
	1. Project Management			LS Lakh Tk	675	325.5	48.22%	325.5	4178	7.79%
Total										

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### **Promoting Resilience of Vulnerable through Access to Infrastructure, Improved Skills and Information**

#### **Supervision Report**

#### **Appendix 3: Compliance with legal covenants: status of implementation**

Mission Dates: 24 November to 05 December 2020  
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**Appendix 3: Compliance with legal covenants: status of implementation**

<b>Section</b>	<b>Covenant</b>	<b>Target/Action Due Date</b>	<b>Compliance Status/Date</b>	<b>Remarks</b>
<b>E.1a (FA)</b>	Opening & maintenance of a Designated account (DA) in USD	Withdrawal condition	Complied	Separate DA for Loan and Grant each maintained with Central Bank of Bangladesh
<b>E.1a (FA)</b>	Opening & maintenance of a Project account in local currency for Project operations in a bank acceptable to the Fund.	Withdrawal condition	Complied	Separate project accounts for Loan and Grant each maintained with Janata Bank Ltd.
<b>E.1b (FA)</b>	Establishment of PMU and appointment of Project Director and key personnel.	Withdrawal condition	Complied	Project Director, Financial Management Specialist and Project Accountant recruited.
<b>E.1c (FA)</b>	No objection for PIM shall have been obtained.	Withdrawal condition	Partially Complied	PIM submitted to IFAD and returned with comments. Revised PIM to be submitted (PIM is being revised jointly by IFAD & PMU)
<b>B.8 (FA)</b>	The Borrower/Recipient shall provide counterpart funds for the Project in the amount of USD 27,900,000, which will include in kind contribution, staff salaries and tax and duties on project expenditure.	Throughout project implementation	Continuous	As at 17 Nov 2019, GOB has spent \$429,650. The government also contributed in kind such as office space, government staff salaries, utilities and communication costs.

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Schedule 3.1 (FA)</b>	Procure and install Accounting Software	Within 6 months of entry into force	Not Complied	Due in July 2018. Procurement of TomPro has been initiated and still in progress.
<b>Schedule 3.2 (FA)</b>	Project to enter into MoUs with implementing partners (between LGED,DDM, BUET,WFP LGD & ERD)	Within 6 months of entry into force	Partially Complied	MoU's signed with some implementing partners.
<b>G 38 (LTB)</b>	Appoint independent Auditors not later than 120 days after entry into force of the Agreement.	Aug 2018	Not complied	No TOR developed yet. IFAD shared the guidelines with the project. The scope of audit shall include the 6 District PIU's. FAPAD will be appointed as External Auditor
<b>G 39 (LTB)</b>	Maintain Log of Audit	Throughout project implementation	Continuous process	Audit has not been conducted yet. Format for Log of Audit Observation shared with PMU.
<b>G37 (LTB)</b>	Submit bi-annual Interim Financial Reports (IFR) within 45 days after period end	Throughout project implementation	Not complied	Effective date 13 Feb 2018. FY starts on 1 July. 1 <sup>st</sup> IFR as at Dec 2018 is due on Apr 2018 and 2 <sup>nd</sup> IFR as at June 2019 is due in Oct 2019. Expenses incurred since May 2019
<b>Article VII, Section 7.01b(ii) (FA)</b>	Submit AWPB	60 days prior to next project year	To be submitted by March 2020	1st AWPB for 18 months have been submitted and approved. AWPB for 2020 has not been submitted yet and will be due on March 2020
<b>Article VII, Section 7.05(a) (FA)</b>	Procurement of goods, works and services carried out in accordance with the provisions of the Borrower/Recipient's procurement guidelines, to	Continuous process	Partially complied	Procurement procedures are generally followed as per Loan Covenant Schedule 4. Small procurements include minimum 3

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	the extent such are consistent with the IFAD Procurement Guidelines.			quotes & Evaluation/Selection Report, The PROVATi <sup>3</sup> complied the clause cited substantially in the reviewed procurement transactions. The mission noted 2 out of 6 contracts reviewed, rated as Moderately Unsatisfactory.
<b>Article VII, Section 7.08 (a) (FA)</b>	Insure of all goods and buildings used in the Project.	Continuous process	Partially complied	Building and goods procured under PROVATi's Fixed Asset are not insured except for Motor vehicles.
<b>Article VIII, Section 8.04 (FA)</b>	Submission of Project Completion Report before Financing Closing Date to the Fund.	Before closing date	Not yet due	
<b>Article IX, Section 9.02 (FA)</b>	Submission of detailed financial statements within four (4) months of the end of each Fiscal Year.	31 October each year	Not complied	Effective date 13 Feb 2018. FY starts on 1 July. The project's first Financial Statement as at June 2019 is due on Oct 2019. No Financial Statements were submitted to date.
<b>Article IX, Section 9.03 (FA)</b>	Submission of final audit report to IFAD within (6) months of the end of each Fiscal Year.	31 December each year	Not yet due	1st audit may include 17 months period and will be due in Dec 2019. Delays are expected as Auditors are not engaged and work has not commenced.