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PEOPLE'S REPUBLIC OF BANGLADESH

Haor Infrastructure and Livelihood Improvement Project/ Climate Adaptation and Livelihood Protection Sub-project (HILIP/CALIP)

Supervision Report

Main report and appendices

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Contents

A. Introduction	1
B. Overall Assessment of Project Implementation	1
C. Outputs and Outcomes	2
D. Project Implementation Progress	14
E. Fiduciary Aspects	15
F. Sustainability	18
G. Other	19
H. Conclusion	20

Appendices

Appendix 1: Summary of project status and ratings	21
Appendix 2: Combined Logical Framework of HILIP and CALIP (Revised, May 2015)	23
Appendix 3: Summary of key actions to be taken within agreed timeframe	26
Appendix 4a: Physical progress measured against AWP&B, including RIMS indicators - HILIP	29
Appendix 4a: Physical progress measured against AWP&B, including RIMS indicators - CALIP	32
Appendix 5: Financial: Actual financial performance by financier, component and disbursements by category at 12/11/15	35
Appendix 6: Compliance with legal covenants: Status of implementation	39
Appendix 7: Knowledge management: Learning and Innovation	40
Appendix 8: Compliance with previous mission recommendations	41
Appendix 9: Mission and Field Visit Schedules	46
Appendix 10: Audit log	49
Appendix 11: Summary of implementation support provided by IFAD	51

List of Tables

Table 1: 2015-2016 AWPB Targets for Component 1	3
Table 2: Component 1 Physical Progress	3
Table 3: 2015-2016 AWPB Targets for Component 2	4
Table 4: Physical Progress for Component 2	5
Table 5: Beel transfer status – November 2015	6
Table 6: Step-by-step Beel transfer process	7
Table 7: CALIP Component 2 progress	10
Table 8: CALIP Component 4 progress	11
Table 9: AWPB execution since inception.	16
Table 10: Consolidated disbursement rates	16
Table 11: Counterpart funds disbursement rates	17

Abbreviations and acronyms

ASAP	Adaptation for Smallholder Agriculture Programme
AWPB	Annual Work Plan and Budget
BUET	Bangladesh University of Engineering and Technology
BMD	Bangladesh Meteorological Department
BUG	Beel User Group
BWDB	Bangladesh Water Development Board
CALIP	Climate Adaptation and Livelihood Protection Project
CDF	Community Development Facilitators
CIG	Common Interest Group
DAE	Department of Agricultural Extension
DLS	Department of Livestock Services
DMEO	District Monitoring and Evaluation Officer
DMU	District management Unit
DOF	Department of Fishery
DPC	District Project Coordinator
DPD	Deputy Project Director
DPP	Development Project Proforma
FAPAD	Foreign Aided Projects Audit Department
FFWC	Flood Forecasting Warning Center
GAP	Gender Action Plan
GoB	Government of Bangladesh
HILIP	Haor Infrastructure and Livelihood Improvement Project
IFAD	International Fund for Agricultural Development
IWFM	Institute of Flood and Water Management
LCS	Labour Contracting Society
LGED	Local Government Engineering Department
MEK	M&E and Knowledge Management
MMC	Market Management Committee
MOL	Ministry of Land
MoU	Memorandum of Understanding
MTR	Mid-Term Review
M&E	Monitoring and Evaluation
NGO	Non-Governmental Organisation
PACE	Promoting Agricultural Commercialization and Enterprises Project
PD	Project Director
PIM	Project Implementation Manual
PKSF	Palli Karma-Sahayak Foundation, Government established apex funding agency
PMU	Project Management Unit
PY	Project Year
RIMS	Results and Impact Management System
SCBRMP	Sunamganj Community Based Resource Management Project
SO	Social Organizer
STF	Spanish Trust Fund
ToR	Terms of Reference
UFMS	Uniform Financial Management System
UMU	Upazila Management Unit
UP	Union Parishad
UPC	Upazila Project Coordinator
XEN	Executive Engineer
WA	Withdrawal Application

People's Republic of Bangladesh
Haor Infrastructure and Livelihood Improvement Project (HILIP)/
Climate Adaptation and Livelihood Protection Sub-project (CALIP)

Supervision mission: 16 – 27 November, 2015

A. Introduction¹

1. The USD 133 million Haor Infrastructure and Livelihood Improvement Project (HILIP) and Climate Adaptation and Livelihood Protection Sub-project (CALIP) is funded through an IFAD loan of USD 55 million, an IFAD grant of USD 1 million, a Spanish Trust Fund (STF) loan of USD 30 million, an ASAP grant of USD 15 million; and USD 32 million equivalent by the Government of Bangladesh.
2. The project goal of HILIP/CALIP aims to contribute to the reduction of poverty in the Haor Basin. The HILIP objective is to improve the living standards and reduce the vulnerability of the rural poor by promoting: (i) enhanced access to markets, livelihood opportunities and social services; (ii) enhanced village mobility, reduction in production losses and protection against extreme weather events; (iii) enhanced access to fishery resources and conservation of biodiversity; and (iv) enhanced production, diversification and marketing of crop and livestock products. The CALIP objective is to scale up a number of successful innovations piloted under IFAD's Sunamganj Community Resource Management Project (SCBRMP) and also to introduce a number of new innovations, which together, will help to construct a comprehensive response for building community and ecological resilience to climate change.
3. This 8 years project (July 2012 – September 2020) has six components, namely (i) Communication Infrastructure, (ii) Community Infrastructure, (iii) Community Resources Management, (iv) Livelihood Protection and (v) Capacity and Knowledge for Building Resilience (CALIP) and (vi) Project Management. The HILIP/CALIP project is implemented by LGED in 28 upazilas of five Haor basin districts, namely Kishoreganj, Netrokona, Sunamganj, Habiganj and Brahmanbaria.
4. This fourth supervision mission took place from 16 – 27 November 2015. The main objectives were to: (i) Assess progress made in the implementation of the recommendations agreed upon at the May 2015 Supervision mission, with particular focus on the Fiduciary aspects,, (ii) review the status of preparedness for the construction season December 2015 – May 2016; and (iii) propose solutions, corrective measures or improvements to be done.
5. The mission spent 5 of its effective 10 days in the field and visited 3 of the 5 District offices and 7 of the 14 Upazilas². The mission was able to visit representative samples of all the activities implemented by HILIP/CALIP and meet the main representatives of the target groups as well as of the local public and private partners. Meetings and consultations were held with PMO, and District offices in Kishoreganj, Netrokona and Brahmanbaria levels, and discussions were held with the LCS and CIG members of the respective markets, as well as traders and locals in the surrounding areas. The supervision mission conducted a procurement and fiduciary review, and met with members of the Finance Units of all DMUs at the PMU in Dhaka. Finally, the mission was accompanied by a World Fish representative and was joined by an ERD representative on the 20th. A briefing was held with the Chief Engineer of LGED.
6. An initial debriefing was held on the 17th November with the HILIP/CALIP team in Dhaka, with the presence of an Additional Chief Engineer. The final wrap up meeting to discuss the mission's findings and recommendations was held on 9th December 2015 at the Ministry of Local Government, Rural Development and Cooperatives, with participation from ERD and LGED.
7. The IFAD Mission would like to express its gratitude to the Government of Bangladesh, the HILIP/CALIP Project Management Unit, World Fish, project beneficiaries, district and upazilas representatives and all other project partners for their cooperation and support during the mission.

B. Overall Assessment of Project Implementation

8. ***The overall implementation progress of the project is rated satisfactory (5)***, thanks to the significant efforts and progress shown in the last year. In fact, after 40 months of implementation and approximately 6 months before the Mid-Term Review, HILIP /CALIP is considered to be *nearly* on track on most of the operational activities.

¹ Mission composition: Mr Nicolas Syed, IFAD CPO and Mission Leader; Mrs Anta Sow, Financial Management Specialist; Mrs Paxina Chileshe, IFAD Climate Change Specialist; Mr Shamsul Hoque, Infrastructure Specialist; and Mr Khairul Islam, Value Chain Specialist.

² 14 upazilas for this first phase, the remaining 14 upazilas are planned after the MTR.

9. Despite initial difficulties and a complex and challenging Haor context, characterized by a region that is flooded half of the year, the project team has been able to successfully engage most of the preparatory work and significant field activities, capitalize on the past LGED / IFAD programmes and has already demonstrated some concrete results in terms of improvement of livelihood, income generation and employment.

10. As of today, components 1 (communication infrastructure) and 2 (community infrastructure) have picked up, with more than 50% of three years' overall project target of Upazila and Union road construction completed and a projected 61% completion rate by June 2016. No major technical issues were observed. Overall physical progress for component 2 is estimated for community infrastructure development, particularly community road, market development and bridge & culver on community roads is at 58% of the AWPB and at 20% of the overall component targets, as of October 2015. Considering the on-going construction works, the overall physical progress rate should jump to 55% by June 2016.

11. In terms of Component 3, the implementation of activities is still slow, at an average of 26% physical completion. The project will manage to transfer about 77% of all beels by December 2015 and 91% before June 2016. The delay in the transfer of the beels is mainly due to the long and cumbersome process involved, and given that the activities could not start before the transfer of the beels this has slowed down implementation. As of October 2015, HILIP has formed 341 BUG groups including 10,311 members, of which 2,700 (26%) are women and 7,611 (74%) are men. Of these BUG members, 2,295 are members of the BMC (Beel Management Committee) including 558 (24%) and 1,737 men (76%).

12. Overall physical implementation of Component 4 is around 76%, according to project M&E figures. The formation of all 1,890 CIG groups was completed under the AWPB 2014-15. As of October 2015, the project has undertaken 822 (65%) demonstrations and 1,035 (81%) farmer trainings based on the 822 demonstration plots. Given the experience now accumulated by the PMU and field staff, the mission recommends to capitalize on the knowledge accumulated and focus on fewer crops in order to maximize the impact of interventions. In doing so, three key criteria should be considered: a) mapping of crop suitability as per topography, soil condition and elevation; b) profitability of crops (cost-benefit which has already been done); and c) market opportunity (high unmet demand in local market). Analyzing all these factors simultaneously and superimposing the information on a map will allow for a visual representation of which crops seem to be more suitable in which areas. This will help the project in using its limited resources more efficiently and achieve greater impact, and will also help HILIP in engaging with PACE and the PKSf PO's.

13. The implementation of the CALIP activities has now started in earnest with tangible results evident from the physical infrastructure such as the village internal services (walkways, tube wells, drains and latrines) and vocational and improved products training sessions being conducted. The Climate Change Specialist and the Development Specialist have been recruited and took office on 13 October and 15 June 2015 respectively. The progress made thus far in the CALIP implementation is a consequence of team effort within the PMU. Further concerted team effort is required to ensure the implementation is expedited to gain back some of the time that elapsed prior to the launch.

14. In terms of Fiduciary aspects, the project continued to suffer from the lack of supervision and management in the financial area. The replacement of the former Accounts Officer and the recruitment of a Financial Management Specialist (FMS) as recommended by the previous mission, took some time and were only completed in July and November, respectively. In this context, the project's fiduciary situation has not improved since the last supervision mission, but the situation is expected to improve with the FMS recruited to lead the Finance Unit.

C. Outputs and Outcomes

Haor Infrastructure and Livelihood Improvement Project (HILIP)

15. *The over-all performance of **Component 1 Communications Infrastructure** is rated as satisfactory (5).* The performance of this component is rated satisfactory as the project has completed more than 50% of three years' overall project target of Upazila and Union road construction, and further progress is anticipated during the remaining quarter of the year (Oct to Dec, 2015). In fact, when considering the contracts awarded during the last monsoon period and which are targeted to complete during this construction season, the physical achievement rate will be more than 61%. The project intends to build 100 km of Upazila and 150 km of Union roads including submersible roads, 1750 (700 meters for Upazila and 1050 meters for Union roads) running meters of bridges and 50 landing ghats to enhance access to markets, livelihood opportunities and social services. Distribution of project component; communications infrastructure including works undertaken during 2012-2015 (current AWPB) with progress is provided.

Table 1: 2015-2016 AWPB Targets for Component 1.

Activity	Project Provision (DPP)	Target up to (2015-16)	Cumulative Achievement (% up to Oct 2015), i.e., Physical Progress
Upazila Roads Improvement (km)	100	56	56
Union Roads (km)	150	83	55
Bridges and Culverts on Upazila Road (m)	700	478	68
Bridges and Culverts on Union Road (m)	1050	675	64
Bridge & Culvert on Community. Roads (m)	250	614	38
Bridge and Culverts in Sunamgonj district (m)	700	700	100
Boat Landing Ghats (number)	50	24	48

16. Above table revealed that all components under communication infrastructure have been slightly lagging behind in achieving the targets that were set out in the Annual Work Plan and Budget (AWPB) with an overall progress of approximately 61% as of October 2015.

17. *Implementation status of activities:* According to the DPP, the project activities were supposed to be started from the financial year 2011-2012. However, the project became effective from July 18, 2012 and thereby project activities started from financial year 2012-2013. As per the PMU record, the project could not even been started with full swing before 2012-2013 as ADP was approved in July 2012 and first release of GOB fund was in March 2013. Project management was advised by the previous supervision missions to complete all works within the project period and make up for loss of time, especially advised to plan in such a way that at least 50% of project target is met by June 2015. The mission is happy to note that the project management complied with the suggestion and demonstrated significant improvement in project implementation progress with an overall calculated physical progress is more than 50% as of October 2015.

18. The previous mission has urged to complete all procedures and documentation early enough to start work right after monsoon. The mission has noted that in the Haor area, construction season (December-April) is very short due to the fact that the most of the road infrastructures are submersible in nature and are planned on old alignment where traffic movements severely obstructed the pace of work. Most importantly, the road work could not be constructed immediately after receding of water as advised by the previous SM, rather need to wait more than 1-2 months for drying of oversaturated subgrade (road bed) properly. This is an important prerequisite for building durable road infrastructure. Moreover, as the peak harvesting period (March-April) of Haor area matches with the construction period when both volume and magnitude of overloaded traffic increases tremendously and labour shortage become very acute, the pace of work reduces significantly. Besides, the construction works are being implemented by involving very unskilled LCS workers who are by virtue very slow and time consuming labour. Considering these inherent ground constraints of Haor area which are not favourable for rapid construction of work, the overall progress have so far been made is appeared to be satisfactory. The detail physical progress of different communication infrastructure activities is presented below.

Table 2: Component 1 Physical Progress

Activities	DPP Target	Unit	Planned (2015-16)	Achieved (Annual)	% Achieved	Achieved (Cumulative)	% Appraisal
Upazila Roads Improvement	100	km	12	0	-	45	45
Union Roads	150	km	30	0	-	60	40
Bridges and Culverts on UZ Road	700	m	270	3.6	-	208	30
Bridges and Culverts on UN Road	1050	m	360	0	-	315	30
Minor earthwork rd (km)	250	km	300	0	-	314	20
Bridge and Culverts in Sunamgonj Dist.	700	m	0	0	-	700	100
Boat Landing Ghats	50	no	15	0	-	17	34

19. It may be noticed from the above table that no physical progress has made during the last monsoon period with obvious reason. Though, it can be seen that cumulative progress of physical activities varies from 20% to 100% up to October 2015. The construction of Upazila and Union road has made good progress: a) Overall project target for Upazila road for three years was 56 km. Up to October 2015, it has completed 45 km or 80%; and b) Overall project target for union road for three years was 83 km. The project has completed 60 km or 72%. That is, under this component the project has completed approximately 75% of overall target of road construction for three years. A significant progress is also anticipated during Oct-Dec 2015 quarter of the year. The progress of minor earthwork and boat landing platform, which is not so sensitive to the inherent ground constraints, is found to be not up to the level. Observing the pace of works for the last three fiscal years, it is anticipated that the remaining works would be needed at least two years to complete unless extra measures are taken. Therefore, project management is recommended to review the target set out in AWPB and update the program as well as finalize actions to complete remaining of target works by June 2017. As

cumulative physical progress of activities varies from 20% to 100% up to Oct 2015 (Table above), actions may also be explored to extend work schedule up to a reasonable part of following working season for the works, which may not be completed by Oct, 2015.

Agreed action	Responsibility	Agreed date
Take coordinated efforts to complete construction as much as possible during the winter season. Implementation period may be extended up to a reasonable part to following working season	PMU/DMU/UMU	As per actual construction progress
Revise AWPB rationally and based on previous three years performance; plan in such a way that for the following two years at least 25% of project target is met per yr.	PMU	June 2016
Take initiative to control of heavily loaded trucks on Haor submersible roads in collaboration with district administration, Upazila and union Parishad as well as by exploring the possibility of installing access control gate	PMU/DMU/UMU	Immediately
Take initiative to expedite construction of boat landing platform	PMU	Immediately
For successful implementation of vetiver grass based bio-technological engineering measure which is very new to this country, arrange training program by involving relevant experts of the country particularly for giving training of trainee (ToT); get vetting of a few implemented sites by vetiver experts	PMU	Immediately

20. The overall performance of **Component 2: Community Infrastructure** is rated as satisfactory (5). The performance of this component is rated satisfactory considering that the project has made substantial progress in community infrastructure during the current financial year, and further progress is anticipated during the remaining quarter of the year. Overall physical progress is estimated for community infrastructure development, particularly community road, market development and bridge & culver on community roads is at 58% of the AWPB and at 20% of the overall component targets, as of Oct 2015. Considering the on-going construction works, the overall physical progress rate should jump to 55% by June 2016. It appears that the pace of market protection works is very slow (17%) which needs to be expedited. The detail physical progress of different community infrastructure activities is presented below.

21. Infrastructures to be build and constructed under this component include; protection of 78 villages and 52 village markets, building of 350 km of village roads, construction of 1600 meters of bridges and culverts, development of 78 markets, establishing 90 collection centres and employment generation for about 1.4 million women and men for construction works. Distribution of project community infrastructure including works undertaken during 2012-2013 2013-2014, 2014-2015 and 2015-2016 (current AWPB) with progress is provided.

Table 3: 2015-2016 AWPB Targets for Component 2

Activity	Project Provision (DPP)	Target upto (2015-16)	Cumulative Achievement (% up to Oct. 2015), i.e., Physical Progress
Community Road (km)	350	193	55
Development of Village Market (No.)	78	43	55
Bridges and culverts on community roads (m)	1600	50	64
Village Protection Works (No.)	78	15	17
Market Protection Works (No.)	52	25	48
Irrigation infrastructure (No.)	90	10	38
Minor earthwork/road alignment (No.)	403	75	19

22. From the table below it can be seen that during the last monsoon period no physical progress has achieved. During this non-construction period, basically awarding of different sub-projects and procurement of construction materials were made. As per the reported number of awarded works, a significant progress is expected during this on-going construction season. After three years of work, so far no market/community collection point (CCP) has been targeted for implementation basically due to difficulties in finding any suitable site for selection. Considering no demand for CCP as well as finding complications in implementing this component, it is recommended to take initiative to needfully merge this component with other implementable and highly demanding components. Since all the community infrastructures are not prone to submergence like the village mound & market protection works, community internal roads, toilet and tubewell sinking etc., the implementation of these works could be continue even during the wet season.

Table 4: Physical Progress for Component 2

Activities	DPP Target	Unit	Planned (2015-16)	Achieved (Annual)	% Achieved	Achieved (Cumulative)	% Appraisal
Community Road (Including Submersible)	350	km	98	-	-	107	31
Development of Village Market	78	No	30	-	-	21	27
Village Protection Works	78	No	35	-	-	29	37
Irrigation infrastructure	26	No	10	-	-	-	-
Market Protection Works	52	No	20	-	-	6	12%
Market collection point	90	No	15	-	-	-	-
Minor earthworks/road alignment	403	No	75	-	-	-	-

23. **Quality Assessment:** During field visit, assessment was made both on construction materials and finished works of both LCS and contractor based RCC road infrastructure, Market development, Village internal facility, Boat landing ghats, Slope protection work under CALIP. In general the quality of construction materials in most of the sites visited was found satisfactory though there is scope for further improvement. Overall assessment was made by critical observations on workmanship, existence of cracks/damage, smoothness of the finished road and market infrastructures. No visible cracks or settlement of market related civil works (platform, column, toilet blocks, Boat landing ghats etc.) as well internal CC/RCC roads were observed. The mission is generally satisfied with the quality of work done by LCS groups. It is appeared that the use of plate compactor equipment for the compaction of subgrade material and mixture machine for the production of concrete by the LCS group has ensured the required quality of road infrastructure. This is a very promising sign in consideration of remoteness of the intervention areas where the availability of proper construction equipment are usually difficult to ensure.

24. Moreover, it is good to learn that most of the actions raised by the last supervision mission have been complied by the PMU. Now, slump test for concreting work and in-situ CBR/FDD test for different pavement layers are being conducted in the field. PMU has changed the plinth height of shed and layout of toilet doors in opposite direction. As per the agreed actions, the PMU has already revised the retaining wall system for all the village mounds with height greater than 3m as well as the placement of reinforcement in RCC retaining structure.

25. During the field visit, a few more issues were identified for further improvement and gave instructions to the quality assurance staffs for adhering the following good practices:

- Toilet Block Development: Pan should be placed in appropriate location by decreasing negative space; As a green design use transparent cover sheet; Add a few hooks to hang clothes; Provide a toilet washing/cleaning brush
- Internal Road Development: Considering the load bearing capacity of subgrade and edge supporting condition, make site condition responsive design instead of following typical design.
- RCC Road Development: Surface finishing 'patta' should be applied along transverse direction; Ensure regular shaped concrete edge blocks and preferably use brick edging; Place short directional reinforcement above the long directional reinforcement; As per new Portland Cement Association (PCA) guidelines, construct RCC panels without any expansion gap and allow only contraction joints. As a good practice, in casting successive panels following alternative arrangement instead of present continuous practice.
- Fish Shed Development: Reduce the size of internal drain and make it obstruction free (presently obstructed by columns); To make an obstruction free drainage, the side walls should be flashed with the inside column face; As nearly 50mm wedge shape of platform near the drain is found to be unnecessary and it is reducing the effective width of platform, omit this item.
- Tubewell: In compliance with the standard color convention of the department of public health (DPH), the color of Tubewell should be green.
- Boat Landing Ghat: Need to fix strong hooks for holding boats/launces; All edges should be with nudging/chamfering finishing; To have honeycomb free solid steps, concreting near the edge of each step should be with fine graded concrete.

Agreed action	Responsibility	Agreed date
Change of Tubewell Color	PMU	Immediately
For village internal road need to adopt condition responsive design	PMU	Immediately

Make obstruction free drainage in Fish shed	PMU	Immediately
RCC panel should be constructed without expansion gap; always provide 'patta' finishing in longitudinal direction; adoption of alternative panel construction approach; placement of short reinforcement on top of the long reinforcement	PMU	Immediately
In the toilet, pan should be placed in appropriate location by decreasing negative space; ensure use of transparent cover sheet; need to provide a few hooks and a washing/cleaning brush	PMU	Immediately
Construction of honeycomb free solid steps for Boat Landing Ghat	PMU	Immediately

26. The performance of **Component 3: Community Resources Management** is rated as *moderately satisfactory* (4). Although the implementation of activities is still slow, at an average of 26% physical completion, the project has expedited the beel transfer process and will receive about 77% of all beels by December 2015 and 91% by June 2016. The delay in the transfer of the beels is mainly due to the long and cumbersome process involved, and given that the activities could not start before the transfer of the beels this has slowed down implementation.

27. Physical progress in beel transfer and beel management: According to the Project design, 300 from SCBRMP and 200 new beels should be transferred by HILIP to the beneficiaries organized in BUGs (Beel User Groups).

28. To date, LGD and the MoL have signed MoUs for 293 of the 300 SCBRMP beels, as 7 were found to be unsuitable at the time of SCBRMP. The PMU is in the process of requesting 7 new beels from the MoL. Of the 293 beels, 278 have been officially transferred to HILIP, while 8 are effectively managed by HILIP but the official transfer has not taken place yet as the lease period with SCBRMP expires in 2016 for 3 beels, 2017 for 2 beels and 2018 for 3 beels. In addition 3 beels are currently pending court decisions.

29. With regards to the 200 beels from the other 4 districts, 48 have already been transferred to HILIP, while additional 42 beels will be transferred within 1 month. This implies that HILIP will effectively cover 383 beels (77%) by December 2015. In addition, the process has started for 71 additional beels in the Kishoreganj district and are expected to be transferred by June 2016, bringing the total beels transferred to 454 (91%) before June 2016. This still leaves a total of 46 beels for which the transfer process has yet to begin.

Table 5: Beel transfer status – November 2015

District	Target	Beels effectively under HILIP	Officially Transferred	Remaining	under process	still to be processed
Sunamganj	300	293	278	7	0	7
Kishoreganj	95	24	24	71	71	0
Netrokona	38	12	12	26	8	18
Brahmanbaria	38	6	6	32	27	5
Habigonj	29	6	6	23	7	16
Total	500	341	326	159	113	46
Not Sunamganj	200	48	48	152	113	39

30. Beel Transfer process: The process of identifying and transferring beels to HILIP has proven to be a long and cumbersome procedure, usually taking a minimum of 40 weeks, and has seriously hampered the progress of the project. One major bottleneck within the process is the negotiations that take place between HILIP and the local administration in order to obtain their positive opinion on the transfer to the beels. In fact, these local administrators may often find themselves to be the target of lobbying from rural elites who usually exploit the water bodies, and who have the most to lose if the leasing rights are transferred to the BUGs.

31. In addition, the administrative processes within the various ministries imply that the various letters and requests need to be signed by the Secretaries of the relevant Ministries. This, in turn, implies that the files are physically handed over to various ministry officials who ultimately (and literally) place the file on the Secretary's desk for signature. This physical handing over the letters can often lead to delays and misplacements, as it

relies on the ability of these busy officials to actively follow-up on the files and to ensure that the Secretary receives and signs them.

32. Finally, another major bottleneck is the fact that the Leasing Committee of Water Bodies, the body which ultimately approves the transfer of beels to HILIP, meets only 2 to 3 times a year. This means that while the MoL and MoLGRD&C have mutually agreed on the transfer of certain beels, they still need to wait for the Committee to meet and officially approve the transfer.

33. In this context, an important lesson learnt for projects aiming to replicate the BUG approach would be to ensure that the beels are transferred to the implementing Ministry during the design phase of the project, or as early as possible before the start of the project. This will greatly reduce the time and effort needed from project staff to ensure the transfers, and may also help reduce interference from local elites.

Table 6: Step-by-step Beel transfer process

Step	Duration (weeks)	Description
1	3	HILIP field staff surveys the pre-identified beels in order to assess their suitability, and subsequently prepare and share a list the suitable beels with the PMU.
2	2	The PMU prepares a letter requesting the MoL to transfer the listed beels. The letter is sent first to the MoLGRD&C, which subsequently forwards the letter to the MoL.
3	13	Upon receipt of the letter and list, the MoL will request the relevant DC to provide his opinion on the suitability of the beels and whether it will be possible to transfer the beels to HILIP. This request is then passed on to the lower-tiers of local government administration (the UNO). This step of the process is lengthy and the outcome depends heavily on the collaboration of the DC and UNO, who may often face lobbying from influential rural elites intent on leasing the beels for their own economic profit.
4	3	The opinions of the UNO and DC are then share with the MoL, through formal channels. This implies that the files need to be approved and signed by various government officials before it reaches the Ministry.
5	13	The Leasing Committee of Government Water Bodies, which meets only 2 to 3 times a year and includes representatives of MoL (lead), MoLGRD&C, MoA, MoFL, MoE, MoYS and MoF) validates the various opinions and agrees (or not) on the allocation of the beels to HILIP. Subsequently the MoL prepares the MoU and shares it with the MoLGRD&C.
6	3	The MoLGRD&C shares the MoU with LGED and HILIP for comments, and the comments are then sent back to the MoL, via the MoLGRD&C.
7	2	Upon receipt of the comments and approval, the MoL issues a letter to the MoLGRD&C to invite them to sign the MoU.
8	1	By this time, HILIP has formally formed the BUG, the MoU has been signed and the MoL sends instructions to the DC to handover the beels to HILIP. The DC then forwards the letter to the LGED XEN and instructs LGED to deposit the lease value, which the HILIP field staff collect from the BUG. Upon receipt of the lease money, the beel is officially transferred to HILIP.

34. Physical progress of other activities: A part from the transfer of beels, the overall progress of the component is slow. As of October 2015, HILIP has completed the re-excavation of 19.54km canals against the project target of 100km, with 30km planned for the 2016 construction season, which would bring the overall achievement to about 50% by MTR. However, only 11 of the planned 305 beels have been re-excavated, and therefore only 103 LCS groups have been formed under this component against a target of 1,530. Of these 103 LCS groups only 74 have been trained. Finally, only 12,200 swamp trees have been planted against the total target of 213,500. It is important to note however, that the slow progress in these activities is also due to the delay in transferring the non-SCBRMP beels to HILIP. In fact these activities revolve around the beel, and therefore cannot be undertaken until the beel has effectively been handed over to the project.

35. Training of BUG members: As of October 2015, HILIP has formed 341 BUG groups including 10,311 members, of which 2,700 (26%) are women and 7,611 (74%) are men. Of these BUG members, 2,295 are

members of the BMC (Beel Management Committee) including 558 (24%) and 1,737 men (76%). At the time of the mission, the project's CRMS has developed training modules for the BUG trainings, in compliance with the recommendations, and the project has trained 13 BUG groups, cover 390 BUG members, 9 of which in the last 2 months alone.

36. Fish production, income generation and socio-economic impact: The first lot of the WorldFish Fish catch monitoring studies have been carried out in the Sunamganj district, covering 30 project water bodies in 8 Upazilas, and 10 control water bodies in 7 Upazilas in Sunamganj. Given the recent finalisation of the transfer of the water bodies, the monitoring of the non-SCBRMP beels will be start in the last quarter of 2015, during what will effectively be the first harvest of fish by the BUGs.

37. Fisheries production was measured in terms of organized catch (bulk catches made by beel user groups) and open catch monitoring (individual catches during flooding season) to validate the total catch at each water body. The total fish catch was quantified at nearly 204 tons in 25 monitored sites (project) in 2014-15, with HILIP beels productivity increasing on average from 543 Kg/Ha in 2012-2013 to 730 Kg/Ha in 2014-2015. The main effective factors that positively influence production from open catch may be habitat type (e.g., river, haor beel), water extension during monsoon, observing closed fishing seasons, developing fish sanctuaries, controlling & removing destructive fishing gears, controlling fisher access & fishing effort, higher species diversity, presence of professional fishers around water bodies and fisher's density.

38. Income derived from fishing activities (organized catches) is influenced by several factors (marketing linkage, high valued species, grading, distance from urban market, etc.) which were reflected in variations of average prices per kg of fish. From organized fishing data of 2014-15, the highest per kilogram value of harvested fish was BDT.195 (USD 2.5) per kg; whilst Koiya Beel Kaima Beel in Sadar had the lowest per kilogram value BDT 80 (USD 1) per kg. Using average value BDT 130 per kg (USD 1.7) in 2014-15, and by combining catches from project monitored sites (25 project water bodies) production over (85 tons) was approximated at BDT 11.1 million (USD 142,000) in 2014-15.

39. Habitat restoration, Fish Inventory and Bio-diversity monitoring: The ongoing monitoring shows that a total of 124 species of fish and prawn were recorded from both open and major catches in 2014-15 of which 117 species were recorded in open catch and 110 species were recorded in major catch, whilst 105 species of fish and prawn were recorded during 1st monitoring year (2012-13) consisting of 99 and 89 species respectively from open and major catches. Biodiversity at most water bodies showed higher species richness and the profusion of species appeared somehow higher in haor beel and river habitats. Sites of similar habitats in non-project sites had a lower biodiversity. These data suggest that the majority of HILIP sites showed considerably healthier biodiversity than water bodies outside project boundaries.

40. Furthermore open catches have found 3 of the 6 Critically Endangered species, namely the *Puntius sarana*, *Clupisoma garua* and *Eutropiichthys vacha* in a number of other beels. The study clearly shows that these water bodies are the habitat of Critically Endangered species and justifies the establishment of fish sanctuaries. This study also reveals that six endangered species namely; *Silonia sinondia* *Labeo bata*, *Chaca chaca*, *Microphis deocata*, *Crossocheilus lalius* and *Notopterus chitala* appeared to approach Critically Endangered status in haor areas and found only in a few water bodies.

41. Livelihood improvement through pond fish culture: HILIP has also begun promoting pond fisheries culture and have undertaken 107 fisheries demonstrations in this context. Activities also include fish fry rearing, fingerling rearing, cage culture of *Tilapia* amongst others, and have received support from World Fish. As part of the evolution of the Component 4 on Livelihoods, further focus will be put on the fisheries training, and the PMU are exploring the possibility of engaging World Fish in another MoU, under CALIP, for the promotion of such fish cultures, including the introduction of *Mola* fish as a method to improve nutrition of women and children, as already piloted in Bangladesh through an IFAD grant.

Agreed action	Responsibility	Agreed date
Request identification of 7 new beels (SCBRMP silted beels)	PMU/DMU/UMU	Start immediately
Transfer remaining 46 beels to HILIP	PMU/DMU/UMU	Dec 2016
Expedite khal and beel re-excavations works	DMU/UMU	Starting 2015-16 construction season
Strengthen fisheries trainings with support from WorldFish	DMU/UMU	Start immediately

42. *The project performance of **Component 4: Livelihood Protection** is rated as satisfactory (5).* The objective of this component is to enhance production, diversification and marketing of crop and livestock products, by developing the capacity of smallholder producers to participate in selected market-based value chains as well as by establishing and supporting market-based institutions. The interventions revolve primarily around three areas, namely field crops and high-value horticulture, livestock and poultry, and pond fisheries. The component has two phases – in first phase (ending in June 2016) the component will cover 14 Upazilas of the targeted districts and in the second phase (will start immediately after the first phase) other 14 Upazilas of the same districts.

43. Physical Progress: Overall physical implementation of Component 4 is around 76%, according to project M&E figures. The formation of all 1,890 CIG groups was completed under the AWPB 2014-15. To date, the

project has undertaken 822 (65%) demonstrations and 1,035 (81%) farmer trainings based on the 822 demonstration plots. Nonetheless, the current implementation progress under AWBP 2015-16 is very satisfactory. Demonstration and demonstration-based farmer training have achieved only 19% (96 against target of 503), and 20% (102 against target of 503) respectively. This is also partly due to the seasonality of the Haor area and the impossibility of undertaking demonstrations until the floods recede. Nonetheless, the non-crop trainings should be expedited during this period.

44. Besides these demonstrations and demonstration-based training, the project also arranged farmers field day, exchange visits for farmers (both male and female), paravet training and cattle vaccination, value chain training for HILIP project staff. The project also organized meetings and rally during various social events such as World Environment Day, Fishery Week, Unnoyon Mela etc. Until now, 59 events are conducted where 6,702 beneficiaries participated (3,740 male and 2,962 female).

45. Livelihood activities: The mission members visited different Upazilas in 3 districts (Netrokona, Kishorganj and Brahmanbaria) of the 5 targeted districts. The activities which were observed include broiler poultry farm, duck rearing, vegetables production, monosex tilapia culture among others. In all the activities, a demonstration farm through one or several CIG members acted as the learning point for other members to follow and replicate.

46. Demonstration farms have started showing positive results and these are acknowledged by other CIG members. In fact, the mission observed that a few non-demonstrator CIG members (and non-CIG members) had started adopting some of the practices and technologies promoted by HILIP. Commercial duck rearing techniques and monosex Tilapia production are 2 activities that have been adopted by other CIG members after having observed the profitability of another CIG member under demonstration. According to last supervision mission's recommendations, the project has introduced revolving fund mechanism (except in crop sector) where instead of one CIG members, a group of 5 members will receive the demonstration cost and after the completion of the cycle, another group will receive the same fund to replicate. This revolving fund approach has only been rolled out recently and hence only a few groups have been able to complete an entire cycle, so it is difficult to make an accurate assessment of the validity of this approach. Nonetheless, in a few cases where the first cycle was completed, for example for the monosex Tilapia CIG group in Nikli of Kishorganj, the second group has already received the funds and invested them. The approach seems to have enabled more CIG members who are risk averse to try out improved technology.

47. Compliance with previous recommendations: The project has complied with most of the recommendations made in the last supervision mission. To explore opportunity to create synergy with IFAD funded PACE project, representative from Component 4 attended the last PACE supervision mission. Possible collaboration scopes are still under discussion and both projects seem to have a good spirit to achieve synergy. 'Revolving fund' guidelines have been developed and already under implementation. A detail cost-benefit analysis has been carried out for different crops and also IGAs under three sectors.

48. Lessons learnt and recommendations for second phase preparations: Since the first phase is about to end next year, the mission has identified a number of recommendations which will help ensure that the lessons learnt of the first phase are capitalized on in order to ensure a rapid and effective transition into the second phase.

49. While the project area covers the Haors as a whole eco-agrological system, there are significant differences in topography within the basin, which seem to be an important factor in the suitability and profitability of various crops. In fact, different elevations translate into varying durations and extent of flooding, which in turn impacts the ability to grow certain crops. Currently the project is promoting a wide range of field crops based on the cost-benefit analysis and also through consultation with local the DAE office. Given the experience now accumulated by the PMU and field staff, the mission would recommend to capitalize on the knowledge accumulated and focus on fewer crops in order to maximize the impact of interventions. In doing so, three key criteria should be considered: a) mapping of crop suitability as per topography, soil condition and elevation; b) profitability of crops (cost-benefit which has already been done); and c) market opportunity (high unmet demand in local market). Analyzing all these factors simultaneously and superimposing the information on a map will allow for a visual representation of which crops seem to be more suitable in which areas. This will help the project in using its limited resources more efficiently and achieve greater impact, and will also help HILIP in engaging with PACE and the PKSf PO's.

50. Furthermore, the project should adopt a value chain approach in promoting the selected sectors and improved technologies among the CIG members. To do so, the mission recommends that livelihood and value chain activities focus on identifying and addressing the key bottlenecks of the most promising value chains. In case of demonstrations, engaging private input companies or their local salesmen would provide a good opportunity to create strong synergies. As observed, leading input companies are present in the areas but may not be targeting high value horticultural crops, as these may not be in high demand. There is therefore an incentive for them to expand their markets and provide inputs for high value horticultural crops through their existing distribution channels. In this context, HILIP could link such suppliers and buyers to the demonstrators, and also the companies to demonstrate their own products through beneficiary farmers. This approach could provide a sound exit strategy provided that sales of the various products are enough to justify the 'promotional' expenses that the companies would incur beyond the project lifetime.

51. In order to ensure and increase the ownership, an upfront partial investment from CIG members can be adopted. Currently, the CIG members select the first individual or group who would receive the demonstration fund. In this mechanism there is always a possibility of deprivation of the most interested ones due to peer pressure or having low voice compared to others. If individuals or groups are prioritized based on their willingness to share some of the investment costs may address this issue. This can be particularly adopted for field crops and livestock and poultry (such as buying inputs, shed making or leasing for poultry, bearing cost of one goat/sheep of the herd, bearing 25% cost a cow for fattening etc), given that in the case of fisheries activities CIG members are already expected to own a pond or be willing to lease one in order to be eligible.

52. The project should take extra care when providing IGA training to LCS members. In fact, the profit they earned may not be always be enough to invest in an IGA, and LCS members, are either landless or have limited homestead space, which can heavily constrain the development of a successful IGA. Trainings provided should therefore take these constraints into consideration. Furthermore, as of today the IGA trainings are only one or two days long and tend to cover a large amount of activities, thus seriously diluting the impact of the training. The mission observed that most of the LCS members are already engaged in one or more IGAs (such as puffed rice making, backyard chicken, dry fish making, petty trading) but as secondary occupation. In fact daily labour is the primary source of income, as it provides higher remuneration, but the uncertainty and seasonality of work means that farmers maintain those IGAs as secondary sources. Therefore, in consultation with the LCS member, the project should decide whether it would be more effective to strengthen the existing set of skills of the LCS with regards to their secondary source of income, or introduce an entirely new IGA, which inherently includes an element of risk. Alternatively, as many LCS members are or have been involved in an IGA, the training should focus more on entrepreneurship on how to grow the business (basic cost-benefit, risk adjustment, basic cash-flow management, etc.)

Agreed action	Responsibility	Agreed date
Mapping of most suitable field crops in the targeted Upazilas	PMU/DMU/UMU	February 2016
Identify key bottleneck of the selected product in each target areas	PMU/DMU/UMU	April 2016
Engage private sector agri input company/representative/dealer in field demonstrations	DMU/UMU	Start immediately
Improve the selection process of demonstration farmers through incorporating cost-sharing model	DMU/UMU	Start immediately
Revise curriculum for LCS member training and insert basic business management skills	PMU/DMU/UMU	Jan 2016

Climate Adaptation and Livelihood Protection (CALIP)

53. **Overall progress:** The implementation of the CALIP activities has now started in earnest with tangible results evident from the physical infrastructure such as the village internal services (walkways, tube wells, drains and latrines) and vocational and improved products training sessions being conducted. The Climate Change Specialist and the Development Specialist have been recruited and took office on 13 October and 15 June 2015 respectively.

54. The progress made thus far in the CALIP implementation is a consequence of team effort within the PMU. Further concerted team effort is required to ensure the implementation is expedited to gain back some of the time that elapsed prior to the launch. The roll-over of non-implemented activities (under infrastructure component and technical vocational training sessions) from the previous Financial Year will contribute to this effort if set targets are achieved during 2015/2016. Some activities such as the improved products and vocational training as well as the MoU signed with Bangladesh Water Development Board (BWDB) require close follow-up. For the latter this also entails making sure the contract with Institute of Water Modelling (IWM) is signed and becomes effective.

55. In addition with the implementation now in full motion a clear Knowledge Management (KM) and Communication strategy needs to be developed jointly with the M&E and KM officer. The Baseline study also requires urgent attention. In order for this to add value efforts should be made to undertake the study by March 2016. Thus the procurement process for a service provider needs to be initiated immediately.

56. **CALIP: Component 2 – Community Infrastructure:** The effective planning undertaken prior to the monsoon season is beginning to bear fruit for the community infrastructure development. The table below summarises the main achievements and plans. The approvals to date reflect the ongoing contracts, which cover 31 village protection infrastructure; 47 Village Internal Services; 9 Killa protection; 7.36 km of Upazila/ Union road slope protection and 193 LCS being trained.

Table 7: CALIP Component 2 progress

Activities	Project Target	Unit	Planned (2015-16)	Approved to date	Achieved (Annual)	%	Achieved (Cum.)	%
Village Protection Infrastructure	224	no	48	16%	0	-	5	2%

Village Internal Service	168	no	48	32%	4	8%	7	4%
Model Village development	5	no	-	0%		-	-	-
Beel bank protection	50	no	18	0	0	-	-	-
Killa protection	20	no	12	65%	0	-	4	20%
Upazila/ Union road slope protection	50	km	20	25%	0	-	5	10%
Training Provided to LCS	542	no	158	40%	4	3%	26	5%

57. Based on the sites visited, the PMU should endeavour to ensure effective supervision of the works so that mistakes are minimised. Particular attention needs to be made to ensure sufficient ventilation in the latrines being constructed. In addition any mandatory (provided by the Public Health) or best practice distance should be observed between latrines and tube wells. The mobilisation period for LCS contracts should also be used effectively to ensure the basic social amenities are provided prior to the construction works commencing.

58. Progress on the beel bank protection activities has been limited by the need to wait for water to recede further for actual beels to be visible and demarcated. Once water has receded this activity is expected to proceed smoothly. Similarly, the model villages development is also progressing relatively slowly. Construction is expected to start on the model village site in Kishoreganj that was identified in 2014/2015. Additional planning authority and capacity is required as the full development to include social amenities (school, health post, water supply, religious centre, walkways and renewable energy) thus the local government agencies (Upazila/ District) have to be engaged. Identification of residents to relocate to the model village is done by the communities and thus should not present any challenges. Additional model village sites have been identified in Netrokona and Habiganj. One site will be prioritised for construction in 2016/2017. Actual physical planning involving various agencies is expected to start in December/January.

59. Killa protection activities appear to be progressing smoothly. However, reaching the targets will potentially be hindered by the sourcing of the Killa construction material, which ideally is from excavation of canals. Killas are targeted at remote areas with difficult access, however these areas have limitations on land for the construction. Usually the sites identified for excavation are a distance away from the locations where killas are required and thus material would have to be transported. The excavation material is also used to reinforce embankments and thus surplus material is not readily available. In cases where Government land is unavailable land would have to be procured from private owners. However the killas would have to be handed over to the local authorities for management as public goods when the project phases out.

60. **CALIP: Component 4 – Livelihood Protection:** Several training activities have been initiated with some completed such as the trainer of trainers by the Bangladesh Forest Research Institute (60 persons have been trained including HILIP/CALIP staff) and some technical vocation as summarised in the table below. The overall target is for 137,844 persons to be trained. Therefore if the 2015/2016 targets are attained this would represent 16%.

Table 8: CALIP Component 4 progress

Activities	Planned (2015-16)	Trainees identified	Achieved to date (Cumulative)
Village forestry	18 480	8 670	460
Pond fishery	1680	880	1 220
Advanced improved product training	600	590	40
Vocational training	1220	1163	90
Total	21 980	11 303	1 810

61. The group formation activities are on-going concurrently with the training sessions. The main challenges being faced are on the minimum duration of some courses, identification of enough candidates for the cooking (catering, which is more inclined to markets in larger towns), clay products (competing with plastics) and cane products (profitable for furniture makers, which is not wide spread) and agreement on the certification requirements for specific trades. Trainers are being sourced from Government agencies, NGOs as well as the private entities. However, for the technical vocations for which the graduates need certification and license in order to practice such as electricians, the Government institutions provide a better alternative and also ensure quality. Therefore as is being practiced currently, if Government agencies can tailor their courses to the needs of the project (shorter durations) then MoUs should be developed with them to provide the service. Trades that do not require a licence to practice can be provided by private entities. The PMU will verify that these private

entities are registered and have up to date licences to operate. The PMU will also meet the relevant authorities to ensure the certification of the participants for the trades that have this requirement.

62. The 50 expressions of interest (EOIs) received from private entities for the provisions of vocational training activities are currently being evaluated. Evaluation of EOIs should be completed by December 2015, and requests for proposals issued in January 2016. The pilot contracts for the service providers include the need to make market linkages to guarantee employment for the trainees or purchase agreements for their products. However from the initial batch of trainees, most tend to opt for self-employment (60%). Thus it would be more useful to link them with financing institutions to provide start-up capital or provide start-up kits where possible and any additional training such as entrepreneurship. The trainers can either be paid on commission basis for the job linkages or alternative strategies developed to address this emerging issue.

63. The training sessions attended for improved products showed participants were well engaged and keen to develop new skills and improve their income generation options. The participants also identified the start-up capital for enterprises as the main potential challenge. It was noted that the targeting approach for the vocational training based on the criteria provided in the Project Implementation Manual is being followed to some extent but more efforts can be made in this regard. Evidently, it is worth reflecting on the criteria and if not feasible then revisions can be proposed accordingly.

64. The strategy adopted in nurseries for the vetiver grass and the koros and hizol trees is inward looking with the value chain development limited to the HILIP/ CALIP project infrastructure protection activities and the focus is on production. Though not necessarily negative, efforts should be made to enhance the sustainability of the nurseries and the livelihoods of the smallholders opting to invest in these activities also in view of the exit strategies for the project. Nurseries should be diversified to increase the income sources for the beneficiaries. It is noted that engagement of policy makers will be required for the use of vetiver and swamp trees as bio-physical protection for slopes and embankments to be adopted more widely in LGED projects. However, this should also simultaneously involve community sensitisation and awareness raising regarding the value of these technologies and also the shift to a more medium to long term perspective for communities to reap benefits including protecting their cultivation fields and homesteads. It has already been noted that some courses are more popular than others and thus there is a need to look into the alignment of the training with interest from communities, resources available in the locations and providing some incentives when necessary. A shift in focus is also required to a more value chain approach and the related skill development in addition to the market promotion for new products and opening up into other potential markets for sustainability and enhancement of chances of the beneficiaries overcoming poverty and remaining out of poverty.

65. Following the last mission, the additional courses identified for women include – embroidery (Nokshi Katha), para vet, nursing (health care assistants), jute products, block batik, candle making, packaging, confectionary and pickle (Achar) making and bottling. Of the existing courses, women are enrolling in the training for bamboo products, tailoring, pond fisheries, fruit cultivation and mobile phone and computer repairs.

66. Following discussions with trainers it was noted that the advanced improved products for bamboo, wood, clay, cane and other products require a minimum of 12 days rather than the initial seven days allocated. Given the budget limitations for the training, a 10 day duration was agreed, however in order not to compromise the quality of training and ensure that the necessary duration is allocated the full requested time can be accommodated and if additional budget would be implied this can be considered through the appropriate channels.

67. *The project performance of **Component 5 - Capacity and knowledge for building resilience** is rated as Satisfactory (5).* One of the key activities is the Flash Flood Early Warning System (FFEWS) for which MoUs have been signed with each of the three partner institutions (Bangladesh Meteorological Department (BMD) and the Institute of Flood and Water Management (IWFM) (BUET) and on 24th May 2015, BWDB - Flood Forecasting Warning Center on 21 June 2015).

68. The activities to be undertaken by IWFM and BMD are progressing relatively well. IWFM has held a stakeholder workshop in Kishoreganj and trained two officials in Weather Research and Forecasting from BMD. However, due to the non-signing of the contract between BWDB and IWM the activities under this partnership have not been initiated. The implications are not immediately critical as IWM already have an existing model but the necessary additional data collection cannot start without the contract. The delay also compromises the time for field testing and refining of the model. Thus concerted efforts must be made to expedite contract signature. Under IWFM activities, data collection is still on-going with the additional surveys and is likely to be completed by June 2016. Boundary data and improved forecasting data are both required to improve the accuracy of the existing model and develop the model with increased lead-time.

69. Under the IWM activities, the existing eight stations for flash flood forecasting will be extended to 25. One of the outstanding issues delaying the signature of the contract is the lead-time for the forecasting. IWM propose to improve the existing two-day forecast while IWFM have committed to develop a five-day forecast. A steering committee meeting will be scheduled for early December to address this and other outstanding issues on the collaboration and delivery of outputs. It is worth noting that the MoUs signed with the three partners include a provision for quarterly progress review meetings. These meetings need to be managed by the PMU and enforced effectively.

70. Another hindrance in the FFEWS activities is the fast computers for BMD and IWFM, which have not yet been procured. The first tender was unsuccessful due to only two bids being received (considered too few and high specification may have been a limiting factor). Thus the bid will be re-launched with specification revised. The re-launch is awaiting input from beneficiary institutions (IWFM and BMD). Retendering is anticipated in January following internal approval by LGED.

71. Several studies are planned under this component and ToRs are currently being developed for Renewable Energy Technologies. ToRs will also be elaborated for the climate change scenario development (2030, 2050 and 2100) and participatory scenario development. Potential service providers for the scenario development have already been identified albeit though mainly working in coastal areas. Other studies to be undertaken include climate change impacts on pond fisheries and agriculture sectors, which require policy dialogue.

72. Another policy related activity is the establishment of the Climate Change Unit within LGED. The PMU has engaged with IWFM on this. However, the recently approved project for Bangladesh under the Green Climate Fund (to be implemented by KfW) also includes resources for the establishment of this Centre with a focus on developing climate resilient infrastructure. Thus it would be beneficial to leverage these additional resources and coordinate effectively with the project team under KfW. A meeting will be arranged with the focal point to establish a set plan for the collaboration.

73. As part of knowledge management activities, before the next monsoon period the PMU will develop templates for data collection in the field to capture improvements as a result of the infrastructure installed and measures taken in order to assess their effectiveness. An MoU will be developed with the Civil Engineering Department of BUET to undertake a comprehensive assessment of the infrastructure. The data collected by the PMU will provide input into this assessment. After the developing the templates, a workshop will be organised, bringing together the key staff to discuss and demonstrate the templates and ensure information will be collected in a timely manner.

74. Five workshops focusing on gender and climate change are also planned for 2015-2016. Based on the working schedule of the PMU gender advisor, two workshops will be held in December/January and the last three will be organised in April/May.

75. **Monitoring and Evaluation:** The CALIP indicators will be included in the RIMS report to be produced in December. District officers need to be further engaged on how to report on the relevant CALIP indicators to ensure these are effectively captured for the RIMS reporting. Component Five is targeted at knowledge generation and thus effective means must be established to manage and disseminate the knowledge. To this end the PMU should develop a knowledge management and communication strategy including regular events to be organised for this purpose.

76. **Sustainability:** More attention is required to ensure the sustainability of the project activities. This applies to the livelihood protection activities as discussed above with the need for linkages to start-up capital for those being trained as well as employment opportunities or start-up kits and the diversification of species in the nurseries. Another strategy would be the incorporation of sensitisation sessions during vocational training and also the LCS sessions.

77. The good practice of planting vetiver or swamp trees to stabilise embankments once excavated materials have been collected is currently a separate and subsequent smaller contract but in addition communities should be encouraged to continue with maintenance and embankment stabilisation through their own efforts as this is for their benefit to ensure access and use of their rice fields for multiple cropping seasons albeit more on the medium to long term. This sensitization also would promote the planting of koros and hizol in communities as well as vetiver and promote wider dissemination. The communities can be compensated if required through different mechanisms such as nominal contributions made periodically or through local authority funds for maintenance of bio-physical protection measures and canal excavation.

Agreed action	Responsibility	Agreed date
Improve targeting approach for improved product and vocational trainings	PMU/DMU/UMU	Ongoing
Conduct market analysis and job opportunities surveys	PMU	February 2016
Develop a strategy to ensure sustainability for livelihood protection activities	PMU/DMU/UMU	April 2016
Develop a knowledge management plan	PMU	March 2016
Signing of contract between IWM and BWDB	PMU/BWDB	December 2015
Conduct quarterly meetings for FFEWS partners	PMU/BUET/BWDB/BMD	Ongoing

D. Project Implementation Progress

78. **Project management performance** is rated as *satisfactory* (5). The project management structure and PMU have been established in line with the Financing Agreement and Project Design Report. The lead project agency LGED, has established the PMU at its Headquarters, District Management Units (DMUs) in the five project districts and Upazila Management Units (UMUs). The first steps of inter-agency coordination and collaboration were made involving the technical line agencies such as DLS, DAE and DoF. The project activities are being implemented in all five districts. The new Project Director, appointed in November 2014, has improved the overall management of the project but still faces difficulties due to the low capacity of some staff.

79. **Monitoring and Evaluation** is rated as *satisfactory* (5). The project has decentralized M&E by putting in place a bottom-up reporting system, from union (CDF), Upazila (SO, UPC, concerned coordinator), district levels (DMEO, DPC) to PMU level (MEK Specialist). The mission suggested that the MEK specialist should also be informed in the every step of reporting from upazila level to district level. The district M&E officers should closely work with both the district project coordinators and MEK specialist at PMU.

80. **Coherence between AWPB and implementation** is rated as *moderately satisfactory* (4). Given the seasonal flooding of the Haor basin between July and December, the majority of the implementation will take place in the months following this supervision mission.

81. **Baseline and MTR Impact survey and RIMS indicators:** Draft ToRs for the CALIP baseline and the HILIP Mid-term impact survey are being developed by the PMU. The recruitment of the consulting firm will be finalised by early 2016 so the reports can be finalised before the IFAD MTR mission scheduled around May or June 2016. Furthermore, the MEK is yet to revise the M&E plan to include CALIP activities.

82. HILIP's 2014 RIMS first level results have been reported to IFAD. RIMS first level indicators for CALIP are also selected and expected to report from 2015. The previous mission also requested the MEK officer to identify suitable RIMS second-level indicators, which is currently being done.

Agreed action	Responsibility	Agreed date
Finalise recruitment of consulting firm for Baseline and MTR Impact survey	PMU/M&E unit	January 2016
Conduct CALIP's baseline study and HILIP MTR impact survey	PMU	June 2016
Mapping of project interventions	PMU/M&E unit	Immediate
Revise the current M&E action plan and develop specific workplan for 2015 including CALIP's intervention	PMU/M&E unit	Immediate

83. **Gender focus** is rated as *highly satisfactory* (6). HILIP/CALIP has mainstreamed gender aspect to all interventions through different grassroots institutions namely LCS, BUG and CIG. The mission observed and appreciated the women involvement in development and decision making process.

84. HILIP has been creating short-term employment opportunities women through construction (LCS) and beel excavation work (BUG) which generate over 255,000 labour days (under component 1-3) to rural poor women. Furthermore, the project has created opportunity for women to become self-employed through enrollment in CIG with its training and demonstration support. To date, HILIP involves 41,000 women from LCS, BUG, CIG and MMC/IMC, of which about 21,000 have received either LCS, BUG or CIG trainings.

85. Small animals like duck, chicken, sheep and goats are commonly recognized as women's assets. The mission visited CIG women who make good profit these activities. The project also ensures women's access to natural resource. The mission also observed that the profit of a BUG was equally distributed between women and men. Moreover, the project has set up day care centres at construction sites to fulfil the need of women. Therefore, women were enjoying their motherhood and at the same time becoming part of the labor force.

86. The gender advisor has developed HILIP's Gender Training Manual and Gender Action Plan (GAP) that mainstreams gender focus in all HILIP's activities. However, the project should go beyond the output gender focus and also address gender aspect in the upcoming outcome study.

87. **Poverty focus** is rated as *highly satisfactory* (6). Haor Basin is one of the poorest regions of Bangladesh. In general, socio-economic conditions in the project areas appear to be very poor and extremely vulnerable to adverse weather conditions, with most households were facing food insecure with at least facing one hungry season in a year and suffering from extensive annual flooding. The prevalence of malnutrition was also widespread among children. It is important to note that all direct beneficiaries of the project (LCS, BUG and CIG members) are poor, LCS women are in particular the poorest of the poor due to a number of factors that include: lack of access to natural resources; lack of access to services; seasonal isolation; and extreme biophysical constraints to production of crop, livestock, poultry etc.

88. **Effectiveness of targeting approach** is rated as *satisfactory* (5). In five districts of the Haor basin: Netrokona, Habiganj, Brahmanbaria, Kishorganj and Sunamganj, the target group includes poor rural people; smallholder farming households; small fishing households; women from poor households; and small traders and intermediaries in local markets. The project has been implementing different activities to grassroots

institutions based on their needs and capacities e.g. giving employment opportunity through infrastructure work to LCSs, building BUGS' capacity and expand access to natural resources and offering various trainings to CIGs. The project could also link different group members who have common demand. Improved infrastructure will also indirectly benefit communities, as it would reduce transportation time and costs while increasing the volume of marketed goods. The project is also working with 125 indigenous members of ethnic minorities (Garo community in Netrokona), of which 95 are women.

89. **Knowledge Management, Innovation and Learning** is rated as *satisfactory (5)*. The project is proactive on knowledge and experience dissemination with the great support from the MEK specialist and Gender Advisor who act as focal point persons. Knowledge management activities, such as exchange visit across districts, day observation and media broadcasting, are planned and communicated to field staff. Regional awareness seminars have taken place to inform stakeholders about CALIP activities, with specific focus on the FFEWS. Many cases studies, bulletin, gender report have been published and share widely on IFADAsia and LGED websites, and HILIP is exploring the possibility of partnering with INAFI in order to organise a Learning Route revolving around HILIP activities.

90. **Climate and environment focus** is rated as *satisfactory (5)*. Adverse impacts on the environment would arise from the infrastructure development and some of the income generating activities. However measures are being taken to ensure that potential adverse effects are minimised. In terms of the infrastructure development, particular attention is given to ensuring the Haor ecology is not further disturbed, as one of the main issues faced in the Haor is water management. For example, water quantities discharged are estimated and culverts provided at particular points to improve water control. Drains are also provided for irrigation making them multipurpose in addition to the water control functions. The design of roads and drainage outlets follows downwards slopes to aid water flows and the material excavated from canals is used for bank reinforcement and also works on roads e.g. shoulder repairs. For the crop extension organic fertiliser is being promoted including integrated pest management to reduce the use of fertiliser and pesticides that not only has environmental benefits but also reduces the costs of inputs for farmers. The climate risk management is integrated through the CALIP.

E. Fiduciary Aspects

91. **Quality of financial management - rated as moderately satisfactory (4).** Accounting software. The mission noted with satisfaction that the project has acquired and installed an accounting software (TOMPRO) that meets IFAD requirements, particularly analytical coding of transactions, production of withdrawal applications and financial statements, AWPB monitoring, and contract management. However, the software was only installed in October, and the training of staff was very challenging as most were not familiar with double-entry accounting and computerized accounting systems. The mission observed that virtually no transactions have been input into the system since the end of the training³. The TOMPRO consultant is due to return to Dhaka by February 2016 for a refresher training and any necessary fine-tuning of the software. In order for this second training to be meaningful, and to ensure full implementation of the software, the mission makes the following recommendations:

- Acquisition of desktop computers for all Finance Assistants (FA) at district level;
- Preparation of Excel worksheets in the prescribed TOMPRO format to allow for the automatic transfer of prior years' transactions into the system;
- Input of all contracts and annual budgets since project start, as well as current year transactions.

92. Staffing. During the period under review, the project continued to suffer from the lack of supervision and management in the financial area. The replacement of the former Accounts Officer and the recruitment of a Financial Management Specialist (FMS) as recommended by the previous mission, took some time and were only completed in July and November, respectively. The mission recommends that more frequent and rigorous assessment of finance staff be carried out over the next 6 months in order to inform the MTR mission on their capacity to properly operate the TOMPRO software and meet IFAD financial management requirements.

93. Financial management. In this context, the project's fiduciary situation has not improved since the last supervision mission. Most of the fiduciary recommendations issued have not been implemented, and the internal controls issues highlighted in May 15 still persist; manual processes continue to be used extensively, and the project is unable to produce reliable financial data and reports. With the FMS recruited to lead the Finance Unit, full implementation of the procedures manual and the TOMPRO software should materialize in the coming months. It is also expected that the Finance Unit will be able to perform 'high-level' reviews and financial management analyses that will provide adequate support for decision-making by top management. In particular, the mission recommends the preparation of a complete monthly financial report including analyses of disbursement rates by expense category, AWPB execution, cash situation/forecast, implementing partners' financial situation, procurement plan execution and administrative matters.

94. Administrative management. No change has been noted in this area since last May, except that staff performance evaluations are now conducted twice a year. The mission again recommends the setting of

³ With the notable exception of the Netrokona DMU, where the FA has input all current year transactions.

objectives at the start of each year to facilitate the evaluation process, as well as face-to-face meetings between staff and supervisor to discuss the staff's performance.

95. As part of TOMPRO implementation, fixed assets should now be monitored using the software at both PMU and DMU level. In addition, physical inventories should be conducted each year in June, strictly following the procedures described in the manual.

96. AWPB execution. The table below shows performance against annual budgets since project start, up to 31/10/15 (amount in thousands BDT)⁴:

Table 9: AWPB execution since inception.

	Comp. 1	Comp. 2	Comp. 3	Comp. 4	Comp.6	CALIP	TOTAL
Fiscal year 2012-13							
Budget	30 577	72 307	3 759	4 241	108 303	-	219 187
Actual	61 700	26 391	357	12 739	103 541	-	204 728
% execution	202%	37%	10%	300%	96%	-	93%
Fiscal year 2013-14							
Budget	494 350	228 970	7 881	13 319	138 980	-	883 500
Actual	496 128	213 538	6 589	20 313	145 974	-	882 542
% execution	100%	93%	84%	153%	105%	-	100%
Fiscal year 2014-15							
Budget	602 400	687 800	120 100	42 000	160 500	246 606	1 859 406
Actual	545 409	720 905	17 625	30 892	128 867	61 493	1 505 191
% execution	91%	105%	15%	74%	80%	25%	81%
Fiscal year 2015-16							
Budget	593 203	1 222 232	137 637	102 312	191 520	53 096	2 300 000
Actual (4 months)	19 370	78 444	85	6 094	25 309	6 042	135 344
% execution	3%	6%	0%	6%	13%	0%	6%

97. The mission could not analyse AWPB execution in detail, as the PMU provided two different sets of figures: one from the Finance unit (presented above), and one from the Project Planning & Implementation Specialist, neither of which could be verified. This issue of the reliability of financial information will be solved with the implementation of TOMPRO.

98. For the year 14-15, the under-performance is due mainly to (i) delays in the transfer of beels and (ii) the late start of CALIP activities. For the year 15-16, the activity level will increase over the next 6 months with the dry season, and this will translate into an increase in expenditures and AWPB execution rate. The mission recommends that an efficient budget monitoring system be put in place, with a monthly budget-to-actual statement generated from TOMPRO, and analyses of budget variances during a monthly budget review meeting chaired by the Project Director, with the participation of the FMS, the Procurement Specialist and the component heads.

99. Treasury situation. The project has experienced serious cash shortages in recent months due to their inability to obtain additional advances from IFAD, as the penultimate advances issued were yet to be justified. As a result, about USD 250 000 had to be recalled from 2 of the DMU accounts to enable the PMU to face recurrent expenditures such as the payment of salaries. This not only illustrates the delays in submitting withdrawal applications, but also the absence of treasury management, and particularly cash forecasting, by the PMU⁵. The mission strongly recommends that half-yearly cash forecasts be prepared by the project and updated monthly. It is further recommended that all project bank accounts be reconciled on a monthly basis, and that joint signatures (considered best practice) be adopted for all bank accounts.

100. Advances. As pointed out during the last mission, advances issued to LCS and staff (for training, demos, etc.) must be monitored through an ageing report generated automatically from TOMPRO, so as to avoid long outstanding advances.

101. **Acceptable disbursement rate - rated as moderately satisfactory (4)**. The following table shows consolidated disbursements from IFAD-managed funds (IFAD loan, IFAD grant, Spanish Trust Fund loan and ASAP Trust Fund grant) as of 12/11/15 (amounts in SDR)⁶:

Table 10: Consolidated disbursement rates

Category #	DESCRIPTION	Allocated	Disbursed	% Disbursed	Available balance
1A	Civil works - Communication	13 228 648	3 804 955	29%	9 423 693
1B	Civil works - Community	25 059 296	2 996 664	12%	22 062 633
2	Vehicles & equipment	560 000	713 117	127%	-153 117

⁴ Budget figures for the fiscal years 2012-13 and 2013-14 do not correspond to IFAD-approved AWPBs, but to GoB approved annual budgets, which are the bases for project implementation.

⁵ The PMU has been unable to produce a correct cash forecast for the period Nov. 15-Apr. 16, as requested by the mission.

⁶ Data relating to the Spanish Trust Fund loan were converted from EUR to SDR using the 31/10/15 rate of 0.788689.

3	Technical Assistance, Studies, training & workshops	8 470 000	771 378	9%	7 698 839
4	Salaries & allowances	8 570 000	1 581 161	18%	6 988 839
5	Operating expenses	1 520 000	237 082	16%	1 282 918
	Unallocated	4 450 000	0	0%	4 450 000
	Advances to designated accounts	0	10 295 441	-	-10 295 441
TOTAL		61 857 945	20 399 798	33%	41 458 146

102. The overall disbursement rate of 33% (including IFAD advances, which represent 57% of total disbursements) is below the expected disbursement rate, with the project having reached 40% of its implementation period. This relatively low rate reflects the time lag between advances issued (essentially to LCS, before the monsoon) on the one hand, and actual construction work (during the dry season) and justification of expenditures on the other hand. Furthermore, there are long delays in the submission of withdrawal applications (WAs) by the PMU. This results in a high risk of cash shortages, as new advances may only be issued by IFAD on the condition that the penultimate advance is fully justified⁷. Consequently, the mission makes the following recommendations:

- The PMU should make a proposal for minimizing the size of the LCS advances and issuing them as close to the commencement of construction work as possible.
- IFAD should consider allowing the project to justify the initial advances to LCS based on the purchase of materials (rather than percentage of works completed).
- Justification WAs must be issued on a more frequent basis, preferably each month.

103. Withdrawal applications. 12 WAs have been issued by the PMU and processed by IFAD since the last mission, 7 of which were advance requests. The mission has reviewed the 5 justification WAs, and has verified the documentation related to statements of expenditure (SOE) items on a sample basis. The main findings include (i) differences between amount claimed and actual amount disbursed in 3 instances⁸, (ii) name on check issued different from contractor name in 1 instance, and (iii) checks omitted from the manual check register in 1 instance. Recommendations are issued accordingly. The mission also stresses the importance of submitting contract monitoring forms with the WAs.

104. Designated accounts (DA) reconciliations. The project's DAs at 31/10/15 cannot be reconciled for the following reasons:

- **CALIP.** The reconciliation prepared by the PMU shows a reconciling item of USD 839 079, representing mostly uncleared advances. However, taking into account the DMUs financial reports, uncleared advances total USD 803 831. The USD 33 719 difference could not be explained.
- **HILIP.** There is only 1 operational account (both at PMU and DMU level) for the 3 DAs, making it impossible to reconcile the DAs individually. At the mission's request, the PMU prepared a consolidated reconciliation for the 3 DAs, which shows a difference of USD 7 379 332 (USD 7 295 195 being uncleared advances, and USD 84 137 being unexplained). Again, the PMU and DMUs records are different, and uncleared advances total USD 5 131 236 when DMUs data are taken into account. The USD 2 163 959 difference could not be explained.

105. As the DA reconciliation is an essential control procedure, the mission recommends that (i) a consolidated reconciliation of the 3 DAs be completed each month, and (ii) the data reported by the DMUs be verified thoroughly and differences be investigated/cleared by the PMU. Furthermore, the upcoming midterm review mission should assess the situation (with the TOMPRO software fully implemented and the project Finance Unit under the management of the FMS), and determine whether or not it is necessary to open separate operational accounts for each designated account at PMU and DMU level in order to facilitate the DA reconciliation process.

106. **Counterpart funds - rated as moderately satisfactory (4).** The GoB contributes to project costs through (i) duties/taxes exemption and (ii) co-financing of infrastructure (50% of communication infrastructure and 10% of community infrastructure) and operating expenses (30%). Payments under GoB and donor financing are made and recorded simultaneously in the HILIP-CALIP accounts. According to PMU records, cumulative expenditures funded by GoB as of 31/10/15 amount to USD 8.8 million (28% of the GoB USD 32 million commitment), as detailed in the following table. Forecasted GoB disbursements for the fiscal year 2015-16 amount to USD 5.1 million, which would bring the disbursement rate to 43% at the end of the year.

Table 11: Counterpart funds disbursement rates

	Approved counterpart financing	Actual expenditure	Balance
2012-13	24 000 000	24 000 000	0
2013-14	240 000 000	239 973 995	26 005
2014-15	400 000 000	399 278 400	721 600
2015-16	400 000 000	25 953 103	374 046 897

⁷ The last advance WAs submitted by the project (#13 A and 13C) had to be rejected by IFAD as this condition was not met.

⁸ The mission was able to verify that the total amount claimed in each instance was equal to the contract amount.

TOTAL	1 064 000 000	689 205 498	374 794 502
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107. **Compliance with loan covenants** - *rated as moderately satisfactory (4)*. Financing agreements covenants have been complied with for the most part, with the exception of the insurance of assets (other than motor vehicles), staff accident/health insurance, and the submission of project financial statements to IFAD. In addition, the AWPB and procurement plan (PP) were submitted to IFAD for no objection with considerable delay⁹.

108. **Compliance with procurement** - *rated as moderately unsatisfactory (3)*. The May 15 IFAD supervision mission conducted a thorough review¹⁰ of procurement in all 5 districts and in the PMU, and concluded that HILIP-CALIP "procurement is largely consistent with the approved procurement plan, government rules and regulations..." However, as noted last May, both the format and content of the PP are not adequate. Moreover, there is no monitoring of the PP execution, and no analysis of variances between planned and actual procurement. Consequently, the mission reiterates the recommendations issued last May. The situation is expected to improve significantly with the imminent recruitment of a Procurement Specialist by the PMU.

109. The PMU was unable to provide the mission with PP execution data for the fiscal year 2014-15. With regard to the current fiscal year (2015-16), 18% of the approved USD 23.1 million PP has been executed. Most of the completed procurement relates to community, and to a lesser extent, communication infrastructure. The execution rate is expected to increase considerably in the coming months, as the flooding recedes and construction work resumes. According to the PMU, 100% of the procurement for works is now conducted through the Bangladesh e-Government Procurement portal (e-GP), which allows for more efficiency in the procurement process, and reduces the risk of misprocurement. The procurement of goods via e-GP is also envisaged in the coming year.

110. **Quality and timeliness of audits** - *rated as moderately satisfactory (4)*. As for all donor-funded projects in Bangladesh, the Foreign-Aided Project Audit Directorate (FAPAD)¹¹ carries out the annual audits. Out of 9 audit observations raised in the 2013-14 management letter, 6 have been settled and 3 (amounting to BDT 906 217 – about USD 11 600) are expected to be cleared in the coming weeks. The HILIP and CALIP audit for the fiscal year ended on 30 June 2015 is currently on-going, with the field work scheduled to be completed on 08/12/15. The mission has reminded the PMU of the obligation to submit the final report to IFAD by 31/12/15.

Agreed action	Responsibility	Agreed date
Full implementation of TOMPRO: acquisition of computers for DMU Finance Assistants; preparation of Excel worksheet for transfer of prior years data; input of contracts, budgets and current year transactions	Financial Management Specialist (FMS)	31 December 15
Frequent and rigorous assessment of finance staff to inform MTR mission of their capacity to operate TOMPRO and meet IFAD financial management requirements	FMS and Project Director	30 June 16
Preparation of complete monthly financial reports	FMS	Continuous
Implementation of an efficient budget monitoring system (monthly budget-to-actual statement and analysis of variances)	FMS	Continuous
Preparation of half-yearly cash forecasts and monthly updates	Component heads	
Monitoring of advances through ageing report in TOMPRO	FMS	Continuous
Submission of a proposal to minimize LCS advances and issue advances close to commencement of construction work	FMS	Continuous
Examination of the possibility to justify initial advances to LCS based on materials purchase	Project Director	15 December 15
Submission of justification WAs on a monthly basis	IFAD	15 December 15
Preparation of monthly designated accounts reconciliation; investigation and clearance of differences	FMS	Continuous
Examination of need to open additional project accounts	FMS	Continuous
Use of adequate procurement plan format and implementation of a monitoring system for PP execution	MTR mission	30 June 16
Submission of final audit report to IFAD	Procurement Specialist	Continuous
Setting of annual objectives and conduct of face-to-face meetings as part of staff performance evaluation	Project Director	31 December 15
Monitoring of fixed assets in TOMPRO and annual physical inventories at PMU and DMUs	Project Director	Continuous
	FMS	Continuous

F. Sustainability

111. **Institutional building** is rated as *satisfactory (5)*. The core strategy of project is grassroots institutional capacity building for enabling sustainable rural transformation. In order to foster this development, the groups

⁹ The PMU is required to submit to IFAD the AWPB and PP by 30/04 and the project financial statements by 31/10 each year.

¹⁰ The review was conducted by an IFAD consultant specialized in procurement.

¹¹ FAPAD is part of the Office of the Comptroller and Auditor General of Bangladesh, the country's Supreme Audit Institution.

were formed for social mobilization, receiving training as well as providing services. The project has begun registering BUGs as legal entities, and if they are able to secure lease rights to the beels, the BUGs have proven to be sustainable institutions, capable of improving the management of water bodies.

112. **Empowerment** (social sustainability) is rated as *satisfactory* (5). HILIP is empowering poor people particularly women in need through creating access to different grassroots institutions and leadership and entrepreneurship. Though it might be too early to assess the impact but monitoring data shows the promising results on economic and social empowerment. The use of labor-intensive approaches to work, including beel and canal re-excavation by BUGs and construction work by LCSs leads to local employment-creation. Moreover, the mission discussed CIG members who improve their wellbeing from receiving livelihood trainings on duckling and chicken rearing. They are now small entrepreneurs who have regular income and make good profit. Their increased income also accounts for local economic growth.

113. **Quality of beneficiary participation** is rated as *satisfactory* (5). By focusing on the demand by the poor, it has been found full involvement from individuals since it is well understood that the assets will benefit to themselves and entire communities. Agriculture and livestock extension by other CIG farmers after the demonstration was also reported. The project has been enhancing the ability of the poor to participate in their own decision-making thanks to specific training and empowerment generated from the newly created local group.

114. **Responsiveness of service providers** is rated as *satisfactory* (5). Contractors have been found very responsive and have all met the necessary specifications during construction.

115. **Exit strategy** is rated as *moderately satisfactory* (4). The project is currently in the pilot stage and moving to the development stage. Ensuring technical assistance and financial inclusion are keys for sustainability. For example, linking the livelihoods trainings with value chain development and financial institutions would enable CIGs set up their own business. A formal agreement between HILIP/CALIP and PACE should be officially signed. In addition, linkages with input suppliers and buyers can ensure the continuation of the provision of extension services.

116. With regards to infrastructure maintenance, the Rural Road Maintenance Policy has been approved in 2014. The maintenance of Union and Upazila roads will be under the responsibility of LGED, while the maintenance of village roads will be under Union Parishads. However, the project should create a community maintenance mechanism for village protection works while maintaining necessary routine spending during project period. MMC will take responsibility for the management and upkeep of rural markets. Linking beneficiaries to concerned local government department would ensure long term service support to beneficiaries.

117. **Potential for scaling up and replication** is rated as *satisfactory* (5). HILIP is building on the SCBRMP's lessons learned, and CALIP is further extending the HILIP's scope of work with a specific focus on the community and ecological resilience to climate change. The community infrastructure, livelihood protection and natural resources management are all being implemented and further strengthened by CALIP to build up resilience to climate change. In addition, the COSOP MTR report has identified a pipeline project that would replicate HILIP activities along river bank and river charareas.

G. Other

118. **Physical and financial assets** is rated as *moderately satisfactory* (4). It is too early to assess impact of the project in increasing individually owned physical or financial assets; however a mid-term impact survey is planned for early 2016. Nevertheless, the project will expand access and control over fundamental common assets – road, market, capital, land, knowledge and technologies. The improved infrastructure has impacts on reduced transportation time and access to market and other facilities. In the long run, this extended access will likely generate an increase in personal wealth to community members benefiting from such improvement.

119. **Food security** is rated as *moderately satisfactory* (4). It is early to fully assess food security result. The upcoming outcome study would provide robust evidence on this aspect. However, in many cases, the mission noted that an increased income lead to reinvestment in productive activities which generate an extra income that can be spent on food. Community infrastructure (roads and markets) also facilitates competitive markets and more food supply, thus lower price.

120. **Quality of natural assets improvement and climate resilience** is rated as *satisfactory* (5). The project addresses natural assets and climate resilience through Community Resource Management (component 3) and Climate Adaptation and Livelihood Protection (component 5). With the CALIP component, the project has been implementing water/beel management, Flash Flood Early Warning System (FFEWS) as well as promoting renewable energy technologies and climate change scenario development. 77% of Beel is transferred and managed by the BUGs by December 2015. Eight flash flood forecasting stations have been already established and will be expanded to 25. The infrastructure development is also designed to ensure the Haor ecology. No major environment issue has been detected. However, its implementation has only recently started.

H. Conclusion

121. The project has made relatively good progress in all components during this third year of implementation. HILIP/CALIP project should be instrumental in developing a good road network to connect remote and vulnerable villages and in improving income and wellbeing of one of the most economically and socially depressed areas of the country. The main focus in the next and coming years has to be the capitalisation of lessons learnt in order to enhance the impact of the project in the second phase. This includes ensuring international standards for the financial management of the project.

122. In order to achieve successfully the overall HILIP/CALIP objectives for Components 1 and 2 the mission highly recommend that the PMU take on more schemes in the current and future AWPB. This will ensure that the infrastructure is completed within 2 years as recommended by the earlier supervision mission. In terms of Component 3, most of the Beels are being formally transferred, with MOUs signed, but 46 remaining beels need to be transferred as soon as possible.

123. For Component 4, given the experience now accumulated by the PMU and field staff, the mission recommends to capitalize on the knowledge accumulated and focus on fewer crops in order to maximize the impact of interventions. In doing so, three key criteria should be considered: a) mapping of crop suitability as per topography, soil condition and elevation; b) profitability of crops (cost-benefit which has already been done); and c) market opportunity (high unmet demand in local market). Analyzing all these factors simultaneously and superimposing the information on a map will allow for a visual representation of which crops seem to be more suitable in which areas.

124. The mapping also should be available for all components and allow to visualize the HILIP/CALIP synergies. In the same vein, all the exit strategy should be formalized and disseminate at beneficiary levels. By end of 2016 - 2017, all infrastructures should be ended in order to concentrate on the institutional development, the implementation of the maintenance system, the income generation activities development / consolidation and implementation of the exit strategy.

125. In terms of Fiduciary aspects, the project continued to suffer from the lack of supervision and management in the financial area. The replacement of the former Accounts Officer and the recruitment of a Financial Management Specialist (FMS) as recommended by the previous mission, took some time and were only completed in July and November, respectively. In this context, the project's fiduciary situation has not improved since the last supervision mission, but the situation is expected to improve with the FMS recruited to lead the Finance Unit.

126. IFAD and the Government of Bangladesh endorse all findings and recommendations of this Aide Memoire

Appendix 1: Summary of project status and ratings

Basic Facts

Country	Bangladesh		Project ID	1585 [1100001585]	Loan/DSF/Grant FI No.	847
Project	Haor Infrastructure and Livelihood Improvement Project - Climate Adaptation and Livelihood Protection				Top-up Loan/DSF/Grant FI No.	
Date of Update	21-December-2015					
Supervising Inst.	IFAD/IFAD					
No. of Supervisions	3	No. of Implementation Support/Follow-up missions	2			
Last Supervision	09-20 May 2015	Last Implementation Support/Follow-up mission	10-Apr-2015			

					USD million	Disb. Rate %
Approval	15-Sep-2011			Total financing	133.00	36
Agreement	18-Jul-2012	Effectiveness lag	10.2	IFAD Total	71.00	
Entry into force	18-Jul-2012	PAR value	Not at risk	IFAD loan	55.00	34
First disbursement	29-Nov-2012			IFAD grant	1.00	49
MTR		Last amendment		ASAP grant	15.00	24
Original completion	30-Sep-2020	Last audit		Domestic Total	71	
Current completion	30-Sep-2020			National Govern	32.00	28
Current closing	30-Jun-2021			External Cofinancing Total	30.00	
No. of extensions	31-Mar-2021			Spanish Fund	30.00	37
	0					

Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	4	4	1. Quality of project management	5	5
2. Acceptable disbursement rate	5	4	2. Performance of M&E	5	5
3. Counterpart funds	4	4	3. Coherence between AWPB & implementation	4	4
4. Compliance with financing covenants	4	4	4. Gender focus	6	6
5. Compliance with procurement	4	3	5. Poverty focus	6	6
6. Quality and timeliness of audits	4	4	6. Effectiveness of targeting approach	5	5
			7. Innovation and learning	5	5
			8. Climate and environment focus	5	5
B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Communication Infrastructure	5	5	1. Institution building (organizations, etc.)	5	5
2. Community Infrastructure	5	5	2. Empowerment	5	5
3. Community Resource Management	4	4	3. Quality of beneficiary participation	5	5
4. Livelihood Protection	5	5	4. Responsiveness of service providers	5	5
5. Capacity and knowledge for building resilience	4	5	5. Exit strategy (readiness and quality)	4	4
			6. Potential for scaling up and replication	5	5

B.5 Justification of ratings

The project has made significant progress regarding the infrastructure work (component 1 and 2) and capacity building through livelihood improvement training (component 4). Community Resource Management (component 3) still lags behind the target in terms of activities, but the project has finally been able to transfer 383 beels by December 2016, and possibly 454 by June 2016. Knowledge management, gender and poverty focuses are strong areas. The decentralized M&E system is promising, but needs cross monitoring and close supervision from PMU level. Regarding fiduciary aspects, the project's financial reporting capacity is expected to improve with recent recruitment of the Financial Management Specialist and the implementation of an accounting software and related training. Timeliness and completeness of audit reports should be improved. In respect to procurement, whilst the project largely follows Government rules and

regulations, opportunities exist to develop better practice. The anticipated increased in the use of e-tendering for the procurement of works and goods will assist in doing this, as will filling the current vacancy for a Procurement Specialist within the PMU.

Overall Assessment and Risk Profile

	Last	Current
C.1 Physical/financial assets	4	4
C.2 Food security	4	4
C.3 Quality of natural asset improvement and climate resilience	5	5
C.4 Overall implementation progress (Sections B1 and B2)	5	5

Rationale for implementation progress rating

The mission found the project implementation progress over the last period as satisfactory. The project is currently around 33% disbursement (35% for HILIP and 24% for CALIP), but when considering the contracts awarded and tendered, the project will should be able to exceed 50% by June 2016.

C.5 Likelihood of achieving the development objectives (section B3 and B4)	5	5
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Rationale for development objectives rating

The project implementation is progressing towards the development objectives. The project is scaling up successful interventions of the SCBRMP, and expected to complete all infrastructure work in a timely manner (by 2017) in order to maximum benefit of poor people in the haors.

C.6 Risks Short description of major risks for each section and their impact on achievement of development objectives and sustainability

Fiduciary aspects	The risk is currently medium and is expected to be mitigated by measures implemented by June 2016 and will be re-assessed at the Mid-Term Review.
Project implementation progress	No particular risks.
Outputs and outcomes	The key is to focus on completing the rural infrastructure work, strengthening all grassroots organizations as well as ensuring land title and water bodies provision
Sustainability	No major risks are concerned.

Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
Financial management	Full implementation, including data input, of the specialised accounting software adapted to project and donor and training of PMU/DMU finance staff	31 March 2016	
Financial management	Monthly financial reporting including budget monitoring and cash forecasting.	Continuous	
AWPB 2015 – 2016 Component 1 and 2	Review the targets set out in AWPB and update the program as well as finalize actions to complete remaining of target infrastructure works by June 2018.	30 June 2018	
Component 3	Complete transfer of remaining water bodies and formation of BUGs	June 2016	
Component 4 and sustainability	Enter into MoU with PACE/PKSF for the provision of financial and technical services to CIG and LCS members	June 2016	

Additional observations

Appendix 2: Combined Logical Framework of HILIP and CALIP (Revised, May 2015)

Narrative Summary	Objectively Verifiable Indicators	Monitoring Mechanism & Information Sources	Assumptions
A. PROJECT GOAL			
The Project Goal will be to contribute to the reduction of poverty in the Haor Basin.	<ul style="list-style-type: none"> ➤ 30% of the randomly sampled households with improvement in household asset ownership index. (RIMS) ➤ 20% reduction in the prevalence of child malnutrition. (RIMS) 	Multiple Indicator Cluster Survey (MICS) of the Bangladesh Bureau of Statistics.	No major natural disasters. No major price inflation for rice
B. PROJECT OBJECTIVE (HILIP & CALIP)			
HILIP: The development objective is to improve living standards and reduce the vulnerability of the poor. The project is expected to directly benefit 115,000 rural poor households.	<ul style="list-style-type: none"> ➤ 35,000 HHs Increase in incomes by atleast 30% by participating the project ➤ 8,000 HHs reduction in losses and damages from flood waters, wave action and disease. ➤ 35% drop in experiencing two hungry seasons (RIMS) 	RIMS surveys at baseline, mid-term and completion. Participatory assessments with target households.	No major economic slow down. Inflation kept under control.
In addition, CALIP will strengthen the community and ecological resilience to climate change in the Haor region	➤ 115,000 of HHs made resilient ¹²		
C. COMPONENT OUTCOMES AND OUTPUTS			
COMPONENT 1: Communication Infrastructure (HILIP)			
Outcome 1: Enhanced access to markets, livelihood opportunities and social services.	<ul style="list-style-type: none"> ➤ Traffic volume for Upazila and Union roads increase by 80%. ➤ Increase in the volume of goods marketed by 50%. ➤ 40% of HHs reporting benefit from project roads (RIMS). ➤ 90% of the project-constructed roads maintain under good condition (RIMS) 	Road user surveys. Market surveys. MICS Surveys. RIMS and baseline survey	Slow pace of economic growth. Short of labour.
OUTPUTS: Construction of of Upazila and union roads. Construction bridges and culverts. Construction of boat landing platforms (ghats)	250 km road completed 1750 running metres of bridges and culverts constructed. 50 landing ghats built. 1.4 million man-days of wage employment in construction works created	Project progress reports	No major damage to roads by floods and wave action.
COMPONENT 2: Community Infrastructure (HILIP + CALIP)			
Outcome 2: Enhanced village mobility, increase in farm production and protection against extreme weather events.	<ul style="list-style-type: none"> ➤ HILIP: Traffic volume increased by 100%. ➤ 90% of project-built markets well operational (RIMS) ➤ 100% of project-built markets with MMC ➤ CALIP: Decrease by 70% the number of houses destroyed by wave action 	Road user surveys. Market surveys. Participatory surveys MICS Surveys.	Slow pace of economic growth.
OUTPUTS: Village protection improved	HILIP: 78 village protection	Progress Reports, M&E report	No major damage to roads and village protection works by floods

¹² A resilient household in the Haor is expected to exhibit the following characteristics: i) diversified livelihood and income streams; ii) improved risk management based on better access to information; iii) enforceable usufruct rights; and iv) security from avoidable hazards.

Narrative Summary	Objectively Verifiable Indicators	Monitoring Mechanism & Information Sources	Assumptions
<p>Community roads improved</p> <p>Development and protection of markets, collection points.</p> <p>Men and women employed for construction of schemes.</p> <p>CALIP</p> <p>Optimal VP designed</p> <p>Prototype sanitary village model</p> <p>Revision of engineering norms to include vegetative protection</p>	<p>350 km road completed</p> <p>78 markets developed</p> <p>Protection works for 52 village markets done</p> <p>Protection work for 90 informal market collection completed</p> <p>90 collection centres established</p> <p>2.2 million man-days of wage employment for women and men in construction works created</p> <p>CALIP:</p> <p>224 villages protected</p> <p>168 villages with common infrastructure services</p> <p>4 model villages</p> <p>20 killas and 30 beel-banks protected using vegetative species</p> <p>50 km road slope protected with vetiver grass</p> <p>520 LCS trained</p>		<p>and wave action.</p> <p>Public procurement policy continues to allow direct procurement of works through LCS.</p>
COMPONENT 3: Community Resource Management (HILIP)			
<p>Outcome 3: Enhanced access of the poor men and women to sustainable water bodies with increased production capacity and biodiversity.</p>	<p>➤ 20,000 fishers with increase in income > 50%, by gender (RIMS 2nd Level).</p> <p>➤ 200 fishing pond operational after three years (RIMS 2nd Level).</p>	<p>World Fish Centre report & PMU fishery RIMS baseline and monitoring Surveys.</p>	<p>Interference and control by water lords of lease right of poor fishers</p> <p>Transfer of leases to BUGs is not obstructed and terms of leases provide long terms access to water bodies at reasonable cost.</p> <p>Price of fish.</p>
<p>Outputs:</p> <p>500 Beel User Groups established of which 200 are new with a combined membership of 20,000.</p> <p>200 Beels improved.</p> <p>100 km of canals excavated.</p>	<p>500 Beel User Groups formed of which 200 are new, with combined membership of 20,000 by gender</p> <p>200 beels improved</p> <p>100 Km of canal excavated</p> <p>1530 people trained by gender</p>	<p>Minutes of Scheme Takeover</p> <p>Project Progress Reports, M&E report</p>	<p>BUG members not controlled by water lords.</p>
COMPONENT 4: Livelihood Protection (HILIP + CALIP)			
<p>Outcome 4: Enhanced production, diversification and marketing of crop and livestock produce.</p>	<p>➤ HILIP: 20,000 HHs reporting production/yield increase by 30%.</p> <p>➤ 60% of trainees adoption technologies recommended on cropping, by gender</p> <p>➤ 60% of trainees adoption technologies recommended on livestock, by gender</p> <p>➤ 960 employment and enterprise opportunities created</p> <p>➤ CALIP: 50% of target group diversify their income stream</p>	<p>RIMS and baseline survey, Outcome study, Sector reports</p>	<p>Seed for improved varieties and improved technologies are available.</p>

Narrative Summary	Objectively Verifiable Indicators	Monitoring Mechanism & Information Sources	Assumptions
Outputs: Employment and enterprise opportunities created, activities building awareness on social issues initiated, and demonstrations on crop/horticulture, livestock and fisheries implemented.	HILIP: <u>Crop and horticulture sector</u> 16,100 crop/horticulture demonstrations done 1,400 seed producers developed 26,600 crop/horticulture farmers trained 308 seed and IPM suppliers developed <u>Poultry and livestock</u> 42,000 poultry and livestock farmers trained and developed 840 paravet trained <u>Fisheries</u> 8,400 ponds and cage/pen fish farmers trained and developed CALIP: 137,844 persons trained in various production technologies.	Project Progress Reports, M&E report	
CALIP Livelihood diversification through new sub-sector value chains and vocations			
COMPONENT 5: Capacity and Knowledge for Building Resilience (CALIP)			
Outcome 5: Enhanced capacity and knowledge to contend with climate change impacts.	➤ At least equal number of villages adopted CALIP tested low-cost village protection system (CALIP) ➤ No. of policy options identified to support of climate adaptation in the Haor area	MMC surveys. Third Party Surveys. Department of Agriculture, Fisheries and Livestock Data.	Adaptation to climate change expertise available Political willingness to adopt evidence-based policy guidance The inter-agency coordination is ensured through proper monitoring.
Outputs: FFEWS operational Research findings of various technologies and systems are disseminated Policy briefs advocate research findings Climate sensitive policy dialogue leading to enhanced frameworks	CALIP No. of people reached by agro-meteorology weather forecasts; No. of institutions reached by FFEWS6 action research studies published ≥ 2 policy processes initiated on building community resilience		Evidence based issue identification is done to engage stakeholders.

Appendix 3: Summary of key actions to be taken within agreed timeframe

Agreed action	Responsibility	Agreed date
Component 1 - Communication Infrastructure		
Take coordinated efforts to complete construction as much as possible during the winter season. Implementation period may be extended up to a reasonable part to following working season	PMU/DMU/UMU	As per actual construction progress
Revise AWPB rationally and based on previous three years performance; plan in such a way that for the following two years at least 25% of project target is met per yr.	PMU	June 2016
Take initiative to control of heavily loaded trucks on Haor submersible roads in collaboration with district administration, Upazila and union Parishad as well as by exploring the possibility of installing access control gate	PMU/DMU/UMU	Immediately
Take initiative to expedite construction of boat landing platform	PMU	Immediately
For successful implementation of vetiver grass based bio-technological engineering measure which is very new to this country, arrange training program by involving relevant experts of the country particularly for giving training of trainee (ToT); get vetting of a few implemented sites by vetiver experts	PMU	Immediately
Component 2 – Community Infrastructure		
Change of Tubewell Color	PMU	Immediately
For village internal road need to adopt condition responsive design	PMU	Immediately
Make obstruction free drainage in Fish shed	PMU	Immediately
RCC panel should be constructed without expansion gap; always provide 'patta' finishing in longitudinal direction; adoption of alternative panel construction approach; placement of short reinforcement on top of the long reinforcement	PMU	Immediately
In the toilet, pan should be placed in appropriate location by decreasing negative space; ensure use of transparent cover sheet; need to provide a few hooks and a washing/cleaning brush	PMU	Immediately
Construction of honeycomb free solid steps for Boat Landing Ghat	PMU	Immediately
Component 3 – Community Resource Management		
Request identification of 7 new beels (SCBRMP silted beels)	PMU/DMU/UMU	Immediately
Transfer remaining 46 beels to HILIP	PMU/DMU/UMU	Dec 2016
Expedite khal and beel re-excavations works	DMU/UMU	Immediately
Strengthen fisheries trainings with support from WorldFish	DMU/UMU	Immediately
Component 4 – Livelihood Protection		
Mapping of most suitable field crops in the targeted Upazilas	PMU/DMU/UMU	February 2016
Identify key bottleneck of the selected product in each target areas	PMU/DMU/UMU	April 2016
Engage private sector agri input company/representative/dealer in field demonstrations	DMU/UMU	Start immediately
Improve the selection process of demonstration farmers through incorporating cost-sharing model	DMU/UMU	Start immediately
Revise curriculum for LCS member training and insert basic business management skills	PMU/DMU/UMU	Jan 2016
Component 5 – Capacity and Knowledge for Building Resilience (CALIP)		
Improve targeting approach for improved product and vocational trainings	PMU/DMU/UMU	Ongoing
Conduct market analysis and job opportunities surveys	PMU	February 2016
Develop a strategy to ensure sustainability for livelihood protection activities	PMU/DMU/UMU	April 2016
Develop a knowledge management plan	PMU	March 2016

Signing of contract between IWM and BWDB	PMU/BWDB	December 2015
Conduct quarterly meetings for FFEWS partners	PMU/BUET/BWDB/BMD	Ongoing
Project Management		
Finalise recruitment of consulting firm for Baseline and MTR Impact survey	PMU/M&E unit	January 2016
Conduct CALIP's baseline study and HILIP MTR impact survey	PMU	June 2016
Mapping of project interventions	PMU/M&E unit	Immediate
Revise the current M&E action plan and develop specific workplan for 2015 including CALIP's intervention	PMU/M&E unit	Immediate
Fiduciary Aspects		
1. Full implementation of TOMPRO based on a detailed action plan with a timetable: acquisition of computers for DMU Finance Assistants; temporary assistance at PMU and DMUs to allow Finance Assistants to devote enough time to TOMPRO implementation; preparation of Excel worksheet for transfer of prior years data; input of all contracts, budgets and current year transactions; introduction of transaction vouchers for coding of transaction prior to input into the system	FMS	31 December 15
2. Review of the organization of the Finance Unit and allocation of duties among the staff; development of an organogram and detailed TORs for each finance staff accordingly. Definition of objectives for each finance staff.	FMS and PD	31 December 15
3. Frequent and rigorous assessment of finance staff to inform MTR mission of their capacity to operate the TOMPRO software and to meet IFAD financial management requirements	FMS and PD	Every 2 months until June 16
4. Monthly verification of accounts, including detailed verification of DMU monthly financial report (in accordance with procedures set out in the manual)	FMS	Continuous
5. Preparation of complete monthly financial reports including analyses of disbursement rates by expense category, AWPB execution, cash situation/forecast, implementing partners' financial situation, procurement plan execution and administrative matters	FMS	Continuous
6. Implementation of an efficient budget monitoring system: monthly budget-to-actual statement generated from TOMPRO, and analysis of variances during a monthly budget review meeting convened by the PD (with FMS, Procurement Specialist and component heads)	FMS PD Component heads	Continuous
7. Preparation of consolidated half-yearly cash forecasts with monthly updates, based on DMUs cash forecasts	FMS	Continuous
8. Monitoring of advances through an ageing report in TOMPRO to ensure prompt justification/recovery of advances; verification of DMUs advances against disbursements made to LCS and staff (for training and demos)	FMS	Continuous
9. Submission of a proposal to minimize LCS advances and issue advances closer to the commencement of construction work	Project Director	15 December 15
10. Examination of the possibility to allow the project to justify initial advances to LCS based on materials purchase rather than based on construction work completed	IFAD	15 December 15
11. Preparation of contract register on TOMPRO (once all contracts are input) and transmission to IFAD on a monthly basis	FMS	Continuous
12. Preparation of contract monitoring forms on Excel (and TOMPRO once all contracts are input)	FMS	Continuous
13. Submission of justification WAs to IFAD on a monthly basis, attaching contract monitoring forms as applicable	FMS	Continuous
14. Withdrawal Applications: a) verification of all amounts claimed against DMU detailed schedules and bank statements; b) verification of payees against contractor name; c) attach copy of all checks as payment justification for SOEs	FMS	Continuous
15. Preparation of designated accounts reconciliations at the end of each month; investigation and clearance of	FMS	Continuous

all differences		
16. Operation of all bank accounts based on a joint signature	Project Director	31 January 16
17. Preparation of bank reconciliations promptly after the end of each month for all accounts (for safe accounts, each time a statement is available); indication of date of preparation or review on the reconciliation	FMS	Continuous
18. Examination of the need to open additional project accounts (one for each designated account at PMU and DMUs)	MTR mission	30 June 16
19. Completion of Procurement Specialist recruitment process	Project Director	31 December 15
20. Use of adequate procurement plan format and inclusion of items to be procured in the current year only Implementation of a monitoring system for PP execution, with explanation of cost variances and procurement delays	Procurement Specialist	31 January 16 Continuous
21. Submission of final audit report to IFAD	Project Director	31 December 15
22. Submission of fiscal year 2016-17 AWPB on time (AWPB must include documentation of assumptions and bases for unit costs)	Project Director	30 April 2016
23. Submission of proposal for reassessment of salary scales for finance staff at PMU and DMU level	Project Director	30 June 16
24. Setting of annual objectives and conduct of face-to-face meetings as part of staff performance evaluation	Project Director	Continuous
25. Contracting of accident/health insurance policy for project staff	Project Director	31 January 16
26. Monitoring of fixed assets in TOMPRO and annual physical inventories at PMU and DMUs using proper procedures	FMS	31 December 15
27. Contracting of insurance policy for project assets	Project Director	31 January 16
28. Implementation of all outstanding recommendations from the May 15 supervision mission	See Appendix 8	31 May 16 latest

Appendix 4a: Physical progress measured against AWP&B, including RIMS indicators - HILIP

Haor Infrastructure and Livelihood Improvement Project (HILIP)

Table 1:

Name of Component: Communication Infrastructures (Component-1)							
Activities /Indicators	Unit	FY 2015-2016 (July 2015-October 2015 and Carried over)			Cumulative (July 2012- October 2015)		
		AWPB Target	Actual	% AWPB	DPP Target	Actual	% DPP Target
Upazila Roads Constructed	km	12	1	8%	100	45	45%
Union Roads Constructed	km	30	7	23%	150	60	40%
Bridges and Culverts on Upazila Roads	m	270	0	0%	700	208	30%
Bridges and Culverts on Union Roads	m	360	0	0%	1050	315	30%
Bridge and Culvert on Community Roads	m	300	0	0%	1600	314	20%
Bridge and Culverts in Sunamgonj District	m	0	0	0%	700	700	100%
Boat Landing Ghat constructed	No.	15	8	53%	50	17	34%
Minor earth work and Road Alignment	km	27	0	0%	250	0	0%
Training provided to Contractors on PPR	No.	12	0	0%	40	15	37%
Supervision and monitoring undertaken by IMC	No.	441	0	0%	1208	325	27%

Table 2:

Name of Component: Community Infrastructures (Component-2)							
Activities /Indicators	Unit	FY 2015-2016 (July 2015-October 2015 and Carried over)			Cumulative (July 2012- October 2015)		
		AWPB Target	Actual	% AWPB	DPP Target	Actual	% DPP Target
Community Roads Constructed (Incd.submersible)	km	98	12	12%	350	107	31%
Village Market Developed	No	30	8	27%	78	21	27%
Market Collection Centre Developed	No.	15	0	0%	90	0	0%
Village Protection Works Done	No	35	14	3%	78	29	37%

Market Protection Works Done	No	20	0	0%	52	6	12%
Irrigation infrastructure cons.	No.	10	0	0%	26	0	0%
Minor earth work	km	75	0	0%	403	0	0%
Pilot innovative infrastructure construction	No.	0	0	0%	15	0	0%
Training provided to LCS members	Group	727	50	7%	1970	727	37%
Supervision and monitoring undertaken by IMC	No.	408	131	32%	1115	431	39%
Exchange visit for Union Parishad	No.	25	2	8%	147	27	18%

Table 3:**Name of Component: Community Resource Management (Component-3)**

Activities /Indicators	Unit	FY 2015-2016 (July 2015-October 2015)			Cumulative (July 2012- October 2015)		
		AWPB Target	Actual	% AWPB	DPP Target	Actual	% DPP Target
Khal/Canal Excavation	km	30	0	0%	100	19.54	19%
Beel Transfared	No.	NA	265		500	341	68%
Beel Developed (Excavation)	No.	45	0	0%	200	11	5%
Beel User Group (BUG) Formed	No.	NA	0	0%	500	341	68%
Members of BUGs	No.	NA	0		20000	10311	51%
LCS Group Trained	Group	125	0	0%	1530	74	5%
Swamp Tree Plantation	No.	30000	0	0%	213500	12200	6%
No. of Union brought under support services	No.	15	15	100%	168	40	24%
No. of BUG received training (group)	Group	25	7	28%	100	13	13%
No. of third party monitoring done (by WFC)	No.	1	0	0%	5	0	0%
No. of dissemination workshops arranged	No.	15	0	0%	50	4	8%
Number of promotional materils developed	No.	1	0	0%	8	0	0%

Table:4**Name of Component: Livelihood Protection (Component-4)**

Activities /Indicators	Unit	FY 2015-2016 (July 2015-October 2015)			Cumulative (July 2012- October 2015)		
		AWPB Target	Actual	% AWPB	DPP Target (4 years)	Actual	% DPP Target
CIG Group Formation	Group	0	0	0%	1890	1890	100%
Crop/Horticulture Demonstration Done	No.	88	46	52%	462	420	91%
Demonstration on Poultry and Livestock done	No	354	6	2%	643	295	46%
Fishery demonstration conducted	No	61	0	0%	168	107	64%
Demo based training (Crop and Horticulture)	Batch	88	22	25%	462	478	103%
Demo based training (Poultry and Livestock)	Batch	354	20	6%	643	418	65%
Demo based training (Fisheries)	Batch	61	0	0%	168	139	83%
Exchange visit	Batch	112	0	0%	243	34	14%
Innovative employment/business initiated (Training)	Person	261	0	0%	420	159	38%
Activities initiated to build awareness on social issues	No	73	4	5%	128	59	46%
No. of people awarded for best practices	Person	140	0	0%	225	85	38%

Appendix 4a: Physical progress measured against AWP&B, including RIMS indicators - CALIP

Name of the Component: Community Infrastructure (Component-2)

Activities	Unit	FY: 2015-2016 (From July 2015 - October 2015)			Cumulative (July 2014 – October 2015)		
		AWPB Target	Actual	% AWPB	DPP Target	Actual	% DPP
Village Protection Infrastructure	No.	48	0	0%	224	5	2%
Village Internal Service Developed	No.	48	4	28%	168	7	4%
Model Village Developed	No.	1	0	0%	5	0	0%
Beel Bank Protection Work	No.	18	0	0%	50	0	0%
Killa Protection Work	No.	12	1	10%	20	4	20%
Road Slope Protection Work	No.	15	0	0%	50	5	10%
Training Provided to LCS Members	No.	159	0	0%	542	0	0%

Name of the Component: Livelihood Protection (Component-4)

Activities	Unit	FY: 2015-2016 (From July 2015 - October 2015)			Cumulative (July 2014 – October 2015)		
		AWPB Target	Actual	% AWPB	DPP Target	Actual	% DPP
Village Forestry:							
Training for Bamboo production activities	Batch	280	23	8%	1680	23	1%
Training for Murta production activities	Batch	280	0	0%	1680	0	0%
Training for Hizal/Karos production	Batch	42	0	0%	252	0	0%
Training for Vetiber production	Batch	280	0	0%	1680	0	0%
Training for Medicinal Plant production	Batch	42	0	0%	420	0	0%
ToT for Village forestry	Batch	3	2	66%	3	2	66%
Pond Fisheries Sector:							
Training of Pond Fisheries Farmers	Batch	28	0	0%	252	61	24%
Exchange visit to successful farmers	No.	28	0	0%	126	0	0%
Exchange visit to hatchery	No.	28	0	0%	126	0	0%
Improved Wood/Bamboo/Cane Sector:							
Training for wood products	No.	10	0	0%	42	0	0%
Training for bamboo products	No.	10	1	10%	84	1	1%
Training for Cane products	No.	5	0	0%	70	0	0%
Training for Murta products	No.	5	0	0%	140	0	0%

Training for Jute/other products	No.	NA	1	0%	84	1	1%
Vocational Training:							
Training on Desiel Engine/pump repair	Batch	5	1	20%	21	1	5%
Training on Motor Cycle repair	Batch	5	1	20%	21	1	5%
Training on Mobile Phone/Computer repai	Batch	5	0	0%	21	0	0%
Training on Refrigerator repairing	Batch	5	0	0%	30	0	0%
Training on Electric House wearing	Batch	5	0	0%	50	1	2%
Training on Plumbing	Batch	5	0	0%	40	0	0%
Training on Welding	Batch	5	0	0%	30	0	0%
Training on Tailoring	Batch	8	1	12%	42	1	3%
Training on Masson/Concrete	Batch	5	0	0%	50	0	0%
Training on carpenter	Batch	3	0	0%	25	0	0%
Training on Cook	Batch	5	0	0%	25	0	0%
Other Training	Batch	2	0	0%	145	0	0%

[Remark: Activities under component-4: Group formation completed and trainings are ongoing.

Name of Component: Capacity and Knowledge for Building Resilience (Component-5)

Activities	Unit	FY: 2015-2016 (From July 2015 - October 2015)			Cumulative (July 2014 – October 2015)		
		AWPB Target	Actual	% AWPB	DPP Target	Actual	% DPP
Action Research:							
Climate change forecasting and participatory scenario development	No.	1	0	0%	1	0	0%
Assessment of the agriculture and fisheries sector and exposure to climate risk	No.	1	0	0%	1	0	0%
Analysis of the environment impacts of large scale expansion on pond fisheries and climate change affects	No.	1	0	0%	1	0	0%
Examine the dynamics of reforestation at large scale level and strengthening ecological resilience	No.	1	0	0%	1	0	0%
Value chain and ecological analysis on the commercialization of bamboo	No.	1	0	0%	1	0	0%
Capacity Building:							
Technical assistance to BMD by IWFM	No.	LS	0	0%	LS	0	0%
Fast computer system for BMD	No.	LS	0	0%	LS	0	0%
Develop rainfall dissemination system for Hoar	No.	LS	0	0%	LS	0	0%

Downscaling GRF forecasting in/c. computer system and technical assistance to BMD by IWFM	No.	LS	0	0%	LS	0	0%
Develop FFEWS for haor region for IWFM	No.	LS	0	0%	LS	0	0%
Training and KM by IWFM	No.	LS	0	0%	LS	0	0%
First computer system for flood forecasting	No.	LS	0	0%	LS	0	0%
Performance evaluation of FFEWS model and management cost	No.	LS	0	0%	LS	0	0%
Funds for development of FFEWS by IWM							
Develop dissemination system of FFEWS for communities and institutions	No.	LS	0	0%	LS	0	0%
International training of weather and FFW	No.	LS	0	0%	LS	0	0%
Knowledge Management:							
Monitoring the performance of village protection, model village, upazila road slope protection etc	No.	LS	0	0%	LS	0	0%
Pro-poor adoption pathways framework	No.	LS	0	0%	LS	0	0%
Policy Dialogue:							
Workshop, seminars and International symposiums	No.	LS	0	0%	LS	0	0%

[Remark: All planned activities under component-5 have under processed for implementation.]

Appendix 5: Financial: Actual financial performance by financier, component and disbursements by category at 12/11/15

Table 5A: Financial performance by financier

Financier	Appraisal (USD '000)	Disbursements* (USD '000)	Per cent disbursed**	Per cent disbursed per IFAD HTR
IFAD loan	55 000 000	17 161 402	31%	33.5%
IFAD grant	1 000 000	444 767	44%	48.6%
Spanish Trust Fund loan	30 000 000	9 681 237	32%	36.8%
ASAP Trust Fund grant	15 000 000	3 317 847	22%	23.6%
Government	32 000 000	8 835 968	28%	N/A
Total	133 000 000	39 441 221	30%	

* Disbursements (except Government) are per IFAD Historic Transaction reports (HTR), and include advances of funds.

** Differences in % disbursed between Table 5A and Tables 5C are due to foreign exchange difference (SDR vs. USD and EUR).

Table 5B: Financial performance by financier by component (USD '000)

	IFAD loan			IFAD grant			STF loan			ASAP grant			Government			Total		
Component	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%

NOTE: Table 5B could not be completed, as the expenditure data by component provided by the PMU (generated from its manual accounting systems) are not reliable and could not be verified.

Table 5C-1: IFAD loan disbursements (SDR, as at 12/11/15)

DESCRIPTION	CAT #	Allocated	Disbursed	%	Available balance
Civil works - Communication	1A	6 580 000	1 996 589	30%	4 583 411
Civil works - Community	1B	10 130 000	1 563 511	15%	8 566 489
Vehicles & equipment	2	560 000	713 117	127%	-153 117
Technical Assistance, Studies, training & workshops	3	3 940 000	675 680	17%	3 264 320
Salaries & allowances	4	8 270 000	1 581 161	19%	6 688 839
Operating expenses	5	1 520 000	237 082	16%	1 282 918
Unallocated		3 450 000	0	0%	3 450 000

Advance to designated account	0	4 774 542	-	-4 774 542
TOTAL	34 450 000	11 541 682	34%	22 908 318

Table 5C-2: IFAD grant disbursements (SDR, as at 12/11/15)

DESCRIPTION	CAT #	Allocated	Disbursed	%	Available balance
Civil works - Communication	1A	0	0		0
Civil works - Community	1B	0	0		0
Vehicles & equipment	2	0	0		0
Technical Assistance, Studies, training & workshops	3	630 000	95 698	15%	534 302
Salaries & allowances	4	0	0		0
Operating expenses	5	0	0		0
Unallocated		0	0		0
Advance to designated account		0	210 470	-	-210 470
TOTAL		630 000	306 168	49%	323 832

Table 5C-3: Spanish Trust Fund loan disbursements (SDR, as at 12/11/15) – converted from EUR to SDR using 31/10/15 rate of 0.788689

DESCRIPTION	CAT #	Allocated	Disbursed	%	Available balance
Civil works - Communication	1A	6 648 648	1 808 366	27%	4 840 282
Civil works - Community	1B	10 229 296	1 433 153	14%	8 796 144
Vehicles & equipment	2	0	0		
Technical Assistance, Studies, training & workshops	3	0	0		
Salaries & allowances	4	0	0		
Operating expenses	5	0	0		
Unallocated		0	0		
Advance to designated account		0	2 975 733	-	-2 975 733
TOTAL		16 877 945	6 217 252	37%	10 660 692

Figure 1: IFAD loan/grant and Spanish Trust Fund loan consolidated disbursement, comparisons between original allocations and actual disbursement

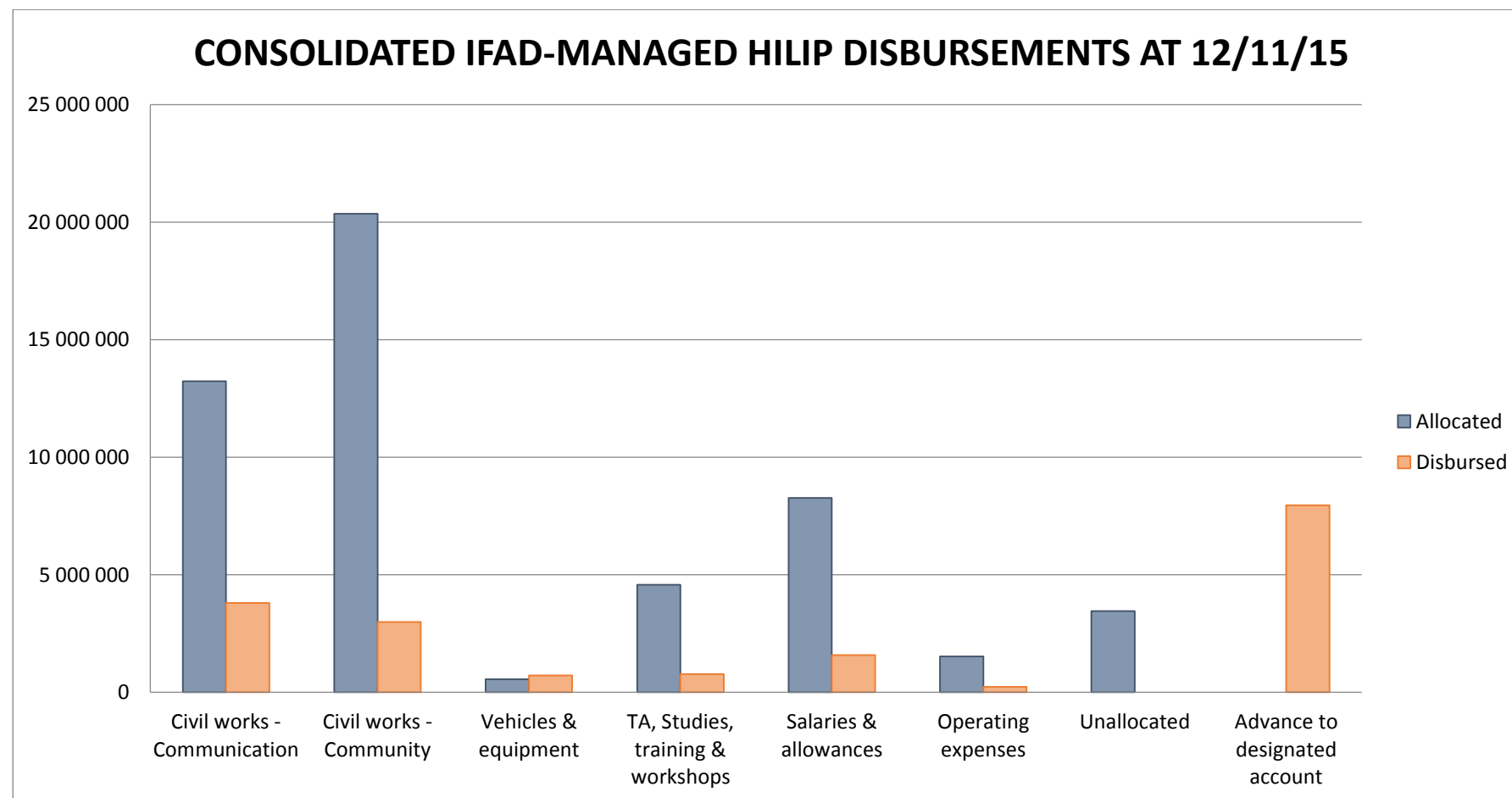
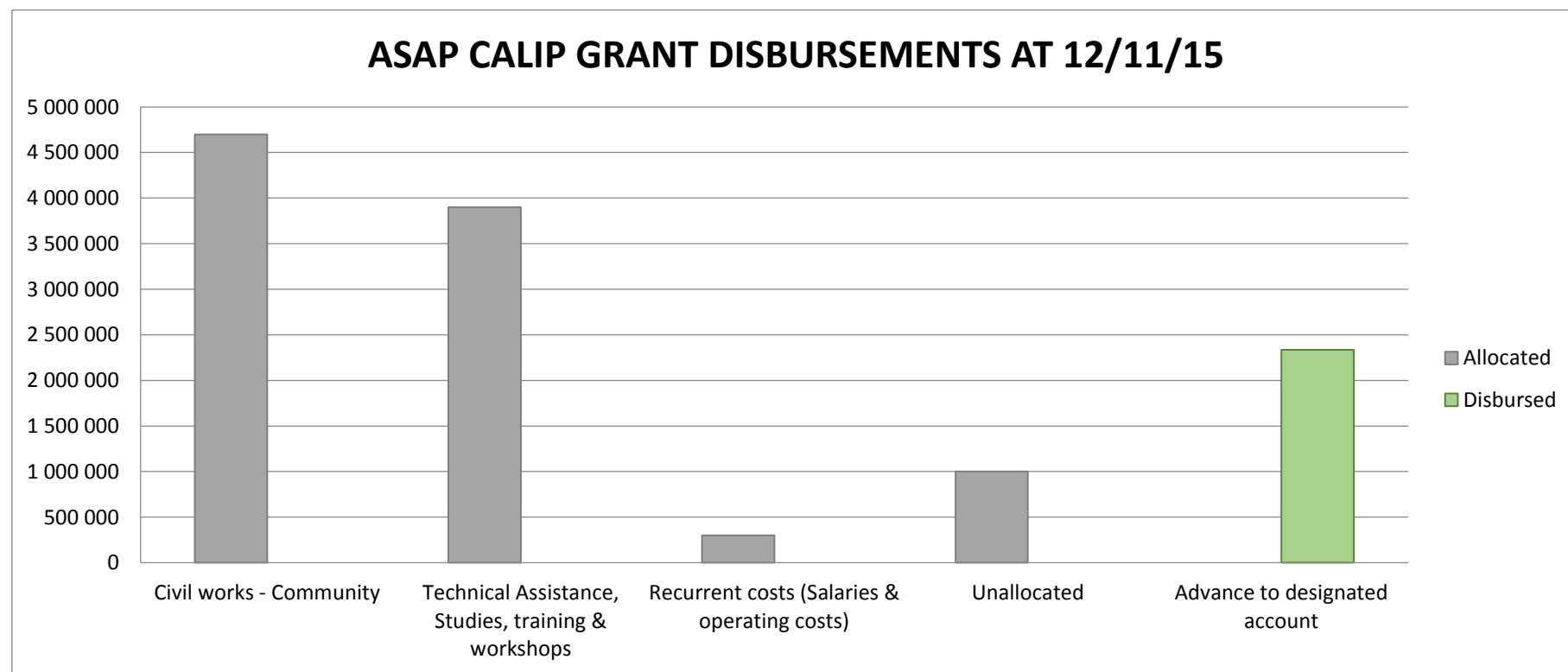


Table 5C-4: ASAP grant disbursements (SDR, as at 12/11/15)

DESCRIPTION	CAT #	Allocated	Disbursed	%	Available balance
Civil works - Community	1B	4 700 000	0	0%	4 700 000
Technical Assistance, Studies, training & workshops	3	3 900 000	0	0%	3 900 000
Recurrent costs (salaries and operating costs)	4	300 000	0	0%	300 000
Unallocated		1 000 000	0	0%	1 000 000
Advance to designated account		0	2 334 696	-	-2 334 696
TOTAL		9 900 000	2 334 696	24%	7 565 304

Figure 2: ASAP grant disbursement, comparisons between original allocation and actual disbursement

Appendix 6: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section B.8 Section B.3 CALIP	Borrower/Recipient to open four designated accounts in USD for the IFAD loan, IFAD grant, and ASAP grant, and in EUR for the Spanish Trust Fund (STF) loan	Conditions precedent to withdrawal	Complied	Accounts held at the Bangladesh Bank (central bank)
Section B.9 Section B.4 CALIP	Borrower/Recipient to open (i) 1 project account in BDT to receive and hold financing transferred from the 3 HILIP designated accounts, (ii) 1 project account in BDT to receive and hold financing transferred from the ASAP designated account and (iii) 10 district project accounts (2 in each of the 5 Haor districts in the project area)		Complied	Account held at Janata Bank, operated by the Project Director
Section B.5 CALIP GC Section 11.01	Exemption from duties and taxes for all goods, works and services financed from IFAD, STF or ASAP	Continuous	Complied	
Section B.10	Borrower/Recipient to provide counterpart financing in the amount of USD 32 million	Continuous	On-going	Counterpart financing in the form of tax exemption and co-financing of category 1, 2 and 5 expenditure (see aide-memoire)
Schedule 1 – II.14	Project Implementation Manual to be drafted and submitted to IFAD for approval	At start of project	Partially complied	Financial, administrative and accounting procedures manual drafted, being finalized
GC Section 7.01(b)	AWPB to be submitted to the Fund, for its review and comments	30 April 2015	Complied with delay	Fiscal year 2015-16 AWPB submitted on 2 September 15
GC Section 7.08	Insurance of goods and buildings financed from the financing proceeds in a manner consistent with sound commercial practice	Throughout project life	Not complied	Lack of insurance for project assets (except motor vehicles)
GC Section 7.11	Insurance of project personnel against health and accident risks	Throughout project life	Not complied	
GC Section 8.03(b)	A Mid-Term Review (MTR) to be carried out jointly by the Borrower/Recipient and IFAD.	By 30/09/2016	Not yet due	
GC Section 9.02	Project financial statements (PFS) submitted to IFAD	31 October 2015	Not complied	PFS not sent to IFAD as of 25/11/15, but sent to FAPAD (Bangladesh SAI) on 13 August 15
GC Section 9.03	Audit report submitted to IFAD	31 December 2015	Not yet due	

Appendix 7: Knowledge management: Learning and Innovation

Learning: What has worked particularly well in this project during this period? What have been the reasons for this?

- CIG members including paravets who received the financial/input support from the project act as community resource persons in disseminating knowledge and providing training to other members.
 - Knowledge and technology transfer is shown. After receiving livelihood improvement trainings (pond fisheries, vegetable demonstration, duckling, poultry raising and etc.) and see first adapters' profitability's, many CIG members have adopted new technologies and methods by investing their own saving or getting loan from local NGOs.
 - LCS beneficiaries have invested their wage and profit saving in income generating activities (shop, duckling and vegetable gardening etc).
 - The project has successfully piloted an approach of combining infrastructure and livelihood improvement for poor farmer households.
 - Participatory development process through grassroots institutions (LCS, BUGs, CIGs) is found efficient and effective.
 - The project does not only target poor people in remote area, but also includes ethnic minorities, such as a Garo community in Netrokona district.
-

Learning: What has not worked so well? What have been the reasons?

- The mission found that the duration of infrastructure work under LCS taking too long (6 months for short distance road in some cases). The project could plan and organize more efficiently in order to complete before harvesting period and timely utilization.
-

Innovation: Describe any interesting innovation noted during supervision

- Considering this as a critical gender issue HILIP has made a provision for children's space (child care facility) in all of its construction sites.
 - HILIP has introduced a number of new agricultural technologies to the area, such as pheromone traps, hybrid varieties or crop specific cultivation methods. Furthermore, CALIP is planning to test renewable technologies and apply new adaptation interventions in the project.
-

Innovation: How might this be replicated by others, or up-scaled here?

- The participatory market-oriented approach with road linkage facilitation has been widely applied throughout the local management systems.
- The idea of child care facilities along construction sites for women could be scaled up in LGED projects as well as other IFAD projects.
- HILIP has prepared many case studies on replication of successful interventions of the SCBRMP throughout the haor basin and information on the profitability, livelihood improvement of LCS and CIG beneficiaries with a specific focus on gender. These documents are published on the project website and IFADAsia to be used for scaling up and facilitate replication by others.

Appendix 8: Compliance with previous mission recommendations

Agreed action	Responsibility	Agreed date	Remarks
Component 1 – Communication Infrastructure			
Take coordinated efforts to complete construction as much as possible before monsoon. Implementation period may be extended up to a reasonable part to following working season	PMU/DMU/UMU	As per actual construction progress	Complying
Revise AWPB rationally and based on previous three years performance; plan in such a way that for the following two years at least 35% of project target is met per year.	PMU	June 2015	Complied
Take initiative to control of heavily loaded trucks on Haor submersible roads in collaboration with district administration, Upazila and union Parishad as well as by exploring the possibility of installing access control gate.	PMU/DMU/UMU	Immediately	Complying
Take initiative to expedite construction of boat landing platform	PMU	Immediately	Complying
Component 2: Community Infrastructure			
Take initiative to merge CCP component with other highly demanding components	PMU	May 2015	
Undertake slump test before any concreting work and necessary arrangement for in-situ CBR/FDD test should made	PMU	May 2015	Complying
Without any specific reason, the plinth height of any shed should not be made more than 500mm	PMU	May 2015	Complying
Placed toilet doors in opposite direction or in 90 degree arrangement based on space availability	PMU	May 2015	Complying
Revise structural design of Toilet, which is now highly overdesigned	PMU	May 2015	Complying
Review the retaining wall system design particularly for all the village mounds with height greater than 3m	PMU	May 2015	Complied
Revise placement of reinforcement in RCC retaining structure, now wrongly being placing at the neutral axis	PMU	May 2015	Complied
Component 3: Community resources management			
Complete transfer of remaining 28 SCRBMP water bodies and formation of BUGs	PMU/DMU/UMU	After the end of lease period	Too early to comply
Complete MoUs of 200 new water bodies between MoL and HILIP	PMU/DMU/UMU	December 2015	Mostly done
Develop details of beel ecology, listing biodiversity, digitized demarcation of beels, and management prescription for individual beel. Data for each beel	PMU/DMU/UMU	Start from current year	Complying

should be included in annual report.			
Apply vetiver grass to cover all earth from beel re-excavation to stabilize earth so that it does not wash into the beel in next monsoon season	PMU/DMU/UMU/BUGs	On going	Too early to comply
Stocking of large sized juveniles of major carps in small beels so they grow quickly and can be harvested within 3 to 4 months	PMU/DMU/UMU	Start from current year	Too early to comply
BUG members save 10 to 20 BDT of their earnings in their common fund so that this can be utilized for the beel management like re-excavation, stocking, habitat improvement etc.	PMU /BUG/BMC	Start from current year	Complying
Organize training for BUGs on beel management to create manpower with enough technical knowledge on different aspects of beel management who in future could be able to act as trainers on beel management practices when project exits.	PMU /CRMS/UFO /DMU	Start from this year	Complying
Component 4: Livelihoods protection			
Promote contract farming for CIGs as a group instead of individual farmers.	PMU/DMU/UMU	December 2015	Complied
Organise field level meetings between PKSf PO's and CIG groups in order to integrate CIGs and LCS members in PACE activities.	PMU/DMU/UMU	Start immediately	Complying
Enter into MoU with PACE/PKSf for the provision of services to CIG and LCS members	PMU	December 2015	In Progress
Develop clear guidelines which define how the 'revolving fund' mechanism should be implemented	PMU	August 2015	Complied
Undertake regular in-depth cost-benefit analyses of various IGA to identify and scale up those activities that are most likely to provide high profit rates	PMU/DMU/UMU	June 2016	Complying
Improve the quality of the cost-benefit analyses currently undertaken as per new template	PMU/DMU/UMU	August 2015	Complied
Monitoring and evaluation and KM			
Carry out HILIP's midterm outcome study on completed roads, markets, beels, livelihood activities to CIG and return of invested profit of LCS and BUG with an emphasis on women beneficiaries based on logical framework and RIMS indicators.	PMU/M&E unit	October 2015	Not done
Conduct CALIP's baseline study	PMU	September 2015	Not done
Mapping of project interventions	PMU/M&E unit	July 2015	Not done

Revise the current M&E action plan and develop specific workplan for 2015 including CALIP's intervention	PMU/M&E unit	Immediate	Not done
Climate Adaptation and Livelihood Protection (CALIP)			
Complete recruitment of Senior Climate Change Specialist	LGED/PMU	August 2015	Complied
Include 2014/2015 non implemented activities in the 2015/2016 AWPB	PMU/DMU/UMU	July 2015	Complied
Identify additional training activities for women with input from the gender advisor	PMU/DMU	July 2015	Complied
Incorporate in the M&E system and report on RIMS indicators related to climate resilience	PMU/DMU/UMU	December 2015	Not done
Revise and sign MoUs with implementing partners FFEWS (BUET, BWDB and BMD)	PMU/BUET/BWDB/BMD	June 2015	Complied
Fiduciary Aspects			
1. Appointment of a new qualified Accounts Officer, with adequate educational background, donor-funded project experience, English language skills and computer literacy	30 June 15	Project Director	Done (poor English, performance to be assessed)
2. Recruitment of a qualified Financial Management Specialist to support the Finance Unit	30 June 15	Project Director	Done
3. Renewal of former Account Officer's contract until the new AO and the FMS are in place	30 June 15	Project Director	In-progress
4. Submission of proposal for reassessment of salary scales at district level	30 June 15	Project Director	Not done
5. Acquisition and installation of a specialised accounting software adapted to project and donor needs (including fixed assets management and procurement modules) and training of PMU/DMU finance staff	31 August 15	Project Director	Done in Oct. 2nd training session planned for Feb
6. Use of vouchers to indicate coding of transactions (prepared by Finance Assistants, reviewed by Accounts Officer and approved by Project Director)	Starting August 15	PMU Finance Unit	Not done
7. Filing of payment vouchers chronologically and by voucher number, rather than by nature	Continuous	Accounts Officer	Not done
8. Completion of cost estimates preparation/approval process by May/June each year	30 June each year	Project Director	Done except for khals and beels (still flooded)
9. Alignment of the AWPB to the GoB annual budget allocation	30 June 15	Project Director	Done
10. Implementation of a budget monitoring system (with the accounting	30 September 15	Project Director	Not done

software) including monthly budget-to-actual statement and review/explanation of variances by activity, jointly with component heads			
11. Submission of a complete financial reporting package by DMUs each month, including for each account (EXEN and DPC joint accounts): a funds reconciliation, detailed expenditure statement by category/component/funding source, updated cash forecast, bank reconciliation/statement and copies of supporting documents	Starting August 15	Accounts Officer	Not done
12. Detailed verification of DMUs monthly financial reports at PMU level, materialize by ACO signature	Starting August 15	Accounts Officer	Not done
13. Preparation of bank reconciliations by a staff other than the accountant in charge of the accounting; sign/date the reconciliations on the date of preparation/review (rather than on the last day of month)	Continuous	DMUs	Not done
14. Systematic preparation of bank reconciliations, even when book and bank balances are the same	Continuous	PMU/DMUs	Not done
15. Preparation of half-yearly cash forecasts with monthly updates	Starting Sept 15	DMU finance units	Not done
16. Monitoring of advances through an ageing report both at PMU and DMU level	Starting Sept 15	Accounts Officers	Not done
17. Submission of a monthly justification WA to IFAD	Starting June 15	Accounts Officer	Not done
18. Implementation of contract monitoring forms at PMU and DMU level	Immediate	Accounts Officers	Not done by all DMUs; not sent with WAs
19. Submission of contract register to IFAD on a monthly basis	Continuous	Project Director	Not done
20. Claiming of actual expenditure rather than advances on WAs	Continuous	Accounts Officer	Done (not verified)
21. Claiming of individual expenditure on each SOE line (no grouping)	Continuous	Accounts Officer	Done
22. Systematic use of purchase orders for goods and non-intellectual services	Continuous	PMU/DMUs	Partially done
23. Conduct 100% of procurements for works and goods via e-GP	Immediate	Project Director	Done for works only
24. Recruit a full-time Procurement Specialist to monitor the delivery of the procurement plan	31 July 15	Project Director	Not done
25. Adoption of the procurement plan monitoring spreadsheet in use by most IFAD projects	For 2015-16 FY	Project Director	Not done
26. Strict observance of the procurement rules and thresholds, particularly regarding the BDT 25,000 threshold for competitive bidding (i.e. ban contract	Continuous	Project Director	Done according to PMU (not

splitting)			verified)
27. Close monitoring of spending on Category 2 so as not to exceed 130% of financing agreement allocation	Continuous	Accounts Officer Project Director	Done
28. Submission of complete FY 2014-15 audit report (including fixed assets statements, budget vs. actuals, schedule of WAs)	10 December 15 or earlier	FAPAD/ Finance Unit	Not done
29. Submission of annual financial statements to FAPAD for audit within six weeks of fiscal year-end	15 August 15	Finance Unit	Done
30. Submission of copies of internal audit reports in English language to IFAD	From now on	LGED Internal Audit	No internal audit report issued in 2015
31. Drafting of a full financial, administrative and accounting procedures manual reflecting the accounting software workflows	31 October 15	Project Director	Done (being finalized)
32. Introduction of objectives setting and half-yearly, face-to-face meetings (between the staff and his/her superior) in the performance evaluation process; signature of the evaluation form by both	30 June 15	Project Director	Half yearly evaluations, but no setting of objectives and, no meetings
33. Contracting of an accident/health insurance policy for all staff	31 August 15	Project Director	Not done
34. Contracting of an assets insurance policy for all project assets	31 August 15	Project Director	Not done
35. Conduct of physical inventory of assets at PMU, DMUs and UMUs by staff other than those responsible for the monitoring of fixed assets	Each year in June	PMU Finance Unit	Proper inventory procedure not used

Appendix 9: Mission and Field Visit Schedules

Mission Schedule

Date & Day	Activities
16-11-2015 Monday	Mission debriefing and Security debriefing
17-11-2015 Tuesday	Briefing & Presentation on Project Activities at PMU, HILIP, LGED Lunch at LGED Mission leaves LGED
18-11-2015 Wednesday	SEE DETAILED FIELD VISITS SCHEDULE BELOW
19-11-2015 Thursday	
20-11-2015 Friday	
21-11-2015 Saturday	
22-11-2015 Sunday	
23 -25 Nov-2015 Mon-Wed	AM writing and consultation
26-11-2015 Thursday	Wrap-up meeting at the Ministry of LGRD – was not held on this day due to Secretary unavailability.
27-11-2015 Friday	AM/WP finalization/consultation/consultant departure

Field Visits

Date	District	Upazila	Location/ visited	Area	Activities seen	Component	Group ¹³
18.11.15	Netrokona	Kalamkanda	Monkanda Village , Up Pogla		Revolving Demonstration on Broiler farming by 05 CIG member & discussion with CIG members	Comp-4	Group 1
	Netrokona	Kalamkanda	Monkanda Village , Up Pogla		Establishment Bamboo production Demonstration after getting BFRI Training (CALIP Program)	Comp-4	Group 1
	Netrokona	Kalamkanda	Monkanda Village , Up Pogla		Bottle Gourd Demonstration using Burmi Compost (HYV & organic Culture technology) discussion with CIG members	Comp-4	Group 1
	Netrokona	Kalamkanda	Gutmondol, Borkapon	Up	Extension of Duck Rearing activities by the CIG members discussion with CIG members	Comp-4	Group 1
	Netrokona	Kalamkanda	Gutura Bazar Up Pogla	Up	Income generation activity through self employment by House wiring and Electrician hop after receiving Vocational	Comp-4	Group 1

¹³ Group 1 included: Nicolas Syed (CPO), Paxina Chileshe (Climate Specialist, ECD) and Khairul Islam (Value Chain Specialist). Group 2 included Shamsul Hoque (Infrastructure specialist).

				Training (CALIP Program)		
	Netrokona	Kalamkanda	Gutura Bazar Up Pogla	Income generation activity through self employment by Motor Cycle Repairing workshop after receiving Vocational Training (CALIP Program)	Comp-4	Group 1
	Netrokona	Kalamkanda	Meda Beel , Borkapan	Meeting with BUG members for execution of Beel Management	Comp-3	Group 1
	Netrokona	Mohonganj	Gaglajur	Visited Gaglajur bazaar to Manda Miar village road community Road	Comp-2	Group 2
	Netrokona	Mohonganj		Visited Chesrakhali GC - Ziakhora GC Road Upazila Road	Comp-1	Group 2
	Netrokona	Mohonganj		Visited Suair UP - Barantar Bazar Union Road	Comp-1	Group 2
	Netrokona	Khaliajuri	Satgaon	Visited Village Market	Comp-2	Group 2
19.11.15	Netrokona	HILIP Hq.	LGED	Discussion , Exchange ideas on HILIP and CALIP activities Past and present with HILIP Officials , Consultants and LGEd Officials – DUE TO COUNTRY WIDE STRIKE FIELD VISITS WERE CANCELLED.	All Comp	Both
20.11.15	Kishoreganj	HILIP Hq.	LGED Hq.	Attend workshop developing Flash Flood Early warning System, Capacity Building and knowledge management for the haor Region of Bangladesh under Climate Adaptation and Livelihood protection (CALIP Program)	Comp-5	Group 1
	Kishoreganj	Nikhli	Jaruitola	Revolving Pond Fish Demonstration on Monosex Tilapia by 05 CIG member discussion with CIG members	Comp-4	Group 1
	Kishoreganj	Nikhli	Jaruitola	Swamp Tree Nursery and discussion with CIG members	Comp-3	Group 1
	Kishoreganj	Nikhli	Sajanpur	Broiler Rearing Expansion activities (4th Cycle)by CIG,s own cost discussion with CIG members	Comp-4	Group 1
	Kishoreganj	Nikhli	Gurui	Tilapia Fish cultivation Expansion activities (2 nd Cycle)by CIG,s own cost discussion with CIG members	Comp-4	Group 1
20.11.15	Kishoreganj	Nikhli	Nikhli HQ.	Visit Improve Training activities under CALIP program on Jute products , bags making and other products discussion with participants	Comp-4	Group 1
	Kishoreganj	Austogram	Kopalipara	Expansion of Crops and activities , discussion with vegetable farmers	Comp-4	Group 1
	Kishoreganj	Austogram	Ekordia , East Austogram	village internal service and discussion with LCS groups	Comp-4	Group 1
	Kishoreganj	Austogram	Bordomanpara Sador	Bamboo training discussion with CIG Traineers	Comp-4	Group 1

	Kishoreganj	Austagram	North Equardia village	[CALIP] Visited Village Internal Service North Equardia village	Comp-2	Group 2
	Kishoreganj	Austagram	Bahadurpur Anondha Bazar	Visited Bahadurpur Anondha Bazar Village Market	Comp-2	Group 2
	Kishoreganj	Austagram	Deoghor	Visited Bhatinagor-Paon Road community Road.	Comp-2	Group 2
	Kishoreganj	Austagram	Bangal Para bazar	Visited Bangal Para bazar Boat Landing Ghat	Comp-1	Group 2
	Kishoreganj	Austagram	Bangal Para	Visited Bangalpara-Humayunpur Union Road	Comp-1	Group 2
21.11.15	Brahmanbaria	Nasirnagor	Mohaganga	ongoing Re- excavation of Mohaganga by LCS member	Comp-3	Group 1
	Brahmanbaria	Nasirnagor	sador	Expansion of Plant Nursery by different Wood, Fruit Hizol –Koroch Plant with sapling selling activities	Comp-4	Group 1
	Brahmanbaria	Nasirnagor	Harinakundo	500 M Vetiver Plantation on HILIP Road slope to protect wave action (CALIP Program)	Comp-2 & Comp-4	Group 1
	Brahmanbaria	Nabinagar	Kadir village	[CALIP] Visited Village Internal Service at Kadir village	Comp-2	Group 2
	Brahmanbaria	Bancharampur		Visited Improvement of Ruposdi Kutichar Shilbari khawarpur Road	Comp-2	Group 2
	Brahmanbaria	Bancharampur		Visited Morichakandi GC-Doshani R&H Road via Santipur & Shibpur Upazila Road	Comp-1	Group 2
22.11.15	Brahmanbaria	LGED HQ.	B, Baria	Visit Improve Training activities under CALIP program Bamboo products discussion with participants	Comp-4	Group 1
	Brahmanbaria	Sarail	Sarail Hq.	Profit distribution program among graduates members of Cana digging LCS	Comp-3	Group 1
	Brahmanbaria	Sadar	Chinair	Visited Chinair Village Market	Comp-2	Group 2
		Nasirnagor	Harinakundo	500 M Vetiver Plantation on HILIP Road slope to protect wave action (CALIP Program)	Comp-2 & Comp-4	Group 2

Appendix 10: Audit log

Name of the Project : Haor Infrastructure & Livelihood Improvement project (HILIP)

Status of Audit Report

FY-2013-2014

FY	Para No.	Observation details	Amount	Settled	Outstanding	Name of office
PART-A						
2013-2014	1	Contract awarded without proper publication of tender notice in daily news paper as per PPR-2008.	7 992 500,00	Settled		PMU
	2	Irregular expenditure incurred for repairing of vehicles.	2 893 211,00	Settled		PMU
PART-B						
	3	Excess payment made due to non deduction of box culvert areas from RCC works.	111 228,00		Outstanding	Kishoregonj & Sunamgonj
	4	Performance guarantee not encashed after the expiry of the validity period	688 000,00		Outstanding	Sunamgonj
	5	Loss of project due to allow earth work to the contractors unjustifiably.	106 989,00		Outstanding	Sunamgonj
	6	Bank interest was not deposited to Govt. account.	805 374,00	Settled		All offices
	7	Contract awarded violating rule 27 of PPR-2008 and ITT clause 45 & 46.	-	Settled		Hobigonj
	8	Excess payment made to the contractor due to excess execution of work than the estimate	539 392,00	Settled		B. Baria
	9	Advance not yet adjusted.	787 060,00	Settled		B.Baria
Total :			13 923 754,00		906 217	

Appendix 10: Audit log (page 2/2)**Status of Audit Report****Name of the Project : Haor Infrastructure & Livelihood Improvement project (HILIP)****FY-2012-2013 & 2013-14.**

SL No.	Financial Year	Audit objections as per Audit Report						Objections Settled		Outstanding Objection								Remarks
		General		Advance		Total				General		Advance		DP		Total		
		Para	Value (BDT)	Para	Value (BDT)	Para	Value (BDT)	Para	Value (BDT)	Para	Value (BDT)	Para	Value (BDT)	Para	Value (BDT)	Para	Value (BDT)	
1	2012-13	5	15 265 965	1	2 985 694	6	18 251 659	6	18 251 659	-	-	-	-	-	-	-	-	All relevant document will be submitted to FAPAD as soon as possible after collecting those from field office & all outstanding will be settled very soon.
2	2013-14	7	3 038 043	2	10 885 711	9	13 923 754	6	13 017 537	3	906 217	-	-			3	906 217	
Total :		12	18 304 008	3	13 871 405	15	32 175 413	12	31 269 196	3	906 217	-	-	-	-	3	906 217	

Appendix 11: Summary of implementation support provided by IFAD

#	Time	Descriptions/topics	Agencies/persons
1	18-19 July 2012	Start-up workshop Introduction into project logframe, AWPB and M&E	Mr. Thomas Rath, CPM, IFAD DR. Qibin HE, IFAD consultant Mr. Kajal Chakraborty FM Specialist, APR
2	1-6 December 2012	Revision of Logframe Results based AWPB Training on RIMS and M&E and related surveys	Dr Qibin HE, IFAD consultant
3	8 Jan. – 11 Feb. 2013	CALIP design mission	Mr. Dewan AQ.H. Alamgir, Team Leader Mr. Roshan Cooke, IFAD Regional Advisor Dr. Shamsul Hoque, Structure Engineer Ms. Sinora Chakma, Gender Specialist Mr. Gianluca Capaldo, Economist
4	27 April – 13 May 2013	Supervision Mission	Mr Peter Situ, Team Leader and M&E and Livelihood Protection Specialist Mr Md Abdul Ghani, Infrastructure Specialist, Mr GM Hashibul Alam, Country Programme Officer and Natural Resources Management Specialist, Ms Monica Romano, Gender and Institutions Specialist, Mr Edilberto C. Angeles, Financial Management Specialist,
5	10-30 April 2014	Financial Management Support	Mr Kajal Chakraborty
6	23 April-9 May 2014	Supervision Mission	Dewan A. H. Alamgir (Mission Leader) Edilberto C. Angeles (Financial Management Specialist), Dr. Md Abdul Ghani (Infrastructure Specialist), Sarah Hessel (M&E & KM Specialist and IFAD Programme Officer), Nicolas Syed (ACPO/IFAD) Dr Md Abdul Wahab (Fisheries and Natural Resources Management Specialist).
7	9-12 April 2015	Capacity building workshop	Boirard Hubert, Country Portfolio Manager Shankar Achutan Kutty, Procurement Specialist Virginia Cameron, Finance Officer & APR Team Leader, Controller's and Financial Services Division Nicolas Syed, Country Programme Officer
8	9 - 20 May 2015	Supervision Mission	Hubert Boirard, IFAD CPM and Mission Leader Virginia Cameron, IFAD Senior Finance Officer Anta Sow, Financial Management Specialist Sean Timings, Procurement Specialist Nicolas Syed, IFAD CPO for Bangladesh Wanaporn Yangyuentham, M&E, Gender and Targeting Specialist Paxina Chileshe, IFAD Climate Change Specialist Shamsul Hoque, Infrastructure Specialist Nazrul Islam, Fisheries and Natural Resources Management Specialist.

9	16 – 27 November 2015	Supervision Mission	Nicolas Syed, IFAD CPO and Mission leader Anta Sow, Financial Management Specialist Paxina Chileshe, IFAD Climate Change Specialist Shamsul Hoque, Infrastructure Specialist Khairul Islam, Value Chain Development Specialist
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Appendix 12: Designated Accounts reconciliations at 31/10/15– in USD

A. CONSOLIDATED HILIP DA RECONCILIATIONS (IFAD LOAN, IFAD GRANT AND STF LOAN)

	IFAD loan	IFAD grant	STF loan ²	TOTAL
Amount advanced by IFAD	17 161 402	444 767	9 681 237	27 287 406
Amount recovered by IFAD	10 361 298	144 281	5 047 552	15 553 131
Outstanding advance (A)	6 800 104	300 486	4 633 684	11 734 274
Cash in bank				
Designated account	21	246 915	15	246 951
Project account ¹				1 734 012
Justification WAs in process at IFAD (#14A and 14C)	1 438 959	0	962 367	2 401 326
Minus interest earned	-16 804	-194	-10 350	-27 348
Total (B)	1 422 176	246 721	952 033	4 354 942
Difference (A-B)				7 379 332
Explanation:				
Uncleared advances by financier (according to PMU)				7 295 195
Unexplained difference				84 137

¹ Only 1 project account for the 3 designated accounts

² Converted from EUR to USD using the rate at 31/10/15

B. CALIP DA RECONCILIATION (ASAP GRANT)

	ASAP grant
Amount advanced by IFAD	1 500 000
Amount justified by HILIP-CALIP	0
Outstanding advance (A)	1 500 000
Cash in bank	
Designated account	0
Project account	660 921
Justification WAs in process at IFAD	0
Minus interest earned	0
Total (B)	660 921
Difference (A-B)	839 079
Explanation:	
Uncleared advances	837 550
Unexplained difference	1 529

Appendix 13: Review of withdrawal applications and verification of SOEs (May to October 2015)

WA n°	Date of WA signature - Period covered	Amount (in USD except 12C in EUR)	Prepared per IFAD instructions	Relevance / eligibility of expenditure	Exp. incurred in past 3 months	Expenditure recorded in correct category	Verification of support. documents	Comments
11A	25/03/15 - Period 01/07/14 to 28/02/15	USD 1 799 912.90	No (see general comments)	Yes	No	Yes	Yes	IFAD Loan
12A	31/08/15 - Period 01/03 to 30/06/15	USD 2 194 971.02		Yes	No	Yes	Yes	IFAD Loan
6B	31/08/15 - Period 01/11/14 to 30/06/15	USD 118 195.66		Yes	No	Yes	Yes	IFAD Grant
11C	25/03/15 - Period 01/07/14 to 28/02/15	EUR 659 403.70		Yes	No	Yes	Yes	STF Loan
12C	31/08/15 - Period 01/03 to 30/06/15	EUR 1 152 817.87		Yes	No	Yes	Yes	STF Loan

NOTES AND OBSERVATIONS:

1. The above are all justification WAs submitted and processed by IFAD since May 2015.
2. Selection of SOEs to test in each WA: 1 item in each category for each district and the PMU, due to the high volume and the fact that the verification process is very time-consuming (most documents are in Bangla, and the communication with the accounts staff is very difficult).
3. Verification of supporting documents: see table below.

GENERAL COMMENTS:

- A debit voucher (called bill form) with description of payment, amount, DPP economic code and beneficiary payment details (for bank advice) is prepared for each disbursement. However, bill forms are not prepared for salaries and bonuses
- The SOE threshold is applied to the payment rather than the amount of the contract (as a result, Form 102 is used for payments on contracts ≥ USD 100 000)
- Summary of expenditures claimed (Form 101 vs. 102) by category is not included in the WAs
- WA checklist used by the PMU is out-dated.
- Transaction number from the manual cashbook (or check/bank advice number) is not shown on the WA/SOE, making it difficult to identify the items in the accounts and to trace them to the supporting documents.

PMU

WA #	Cat. #	Item #	Description	Amount in BDT	Date	1	2	3	4	5	6	7	8	9	Comments or Exceptions noted
11A	4	159	Salary of PMU officers – Feb 15	239 049.56	26/02/15	N/A				No				N/A	
11A	5	55	Fuel bill for November 14	84 324.00	15/12/14	N/A								N/A	
12A	4	68	Overtime bill – project staff May 15	10 000.00	09/06/15	N/A								N/A	3: vehicle logbook
12A	5	59	Stationary supply Max Corporation	347 845.00	28/06/15	N/A									Purchase order in the form of a letter 9: tender documents

6B	3	1	Final bill 30% - BETS Consulting Services Ltd	857 249.00	14/06/15	N/A									9: final report
6B	3	3	Training manual printing for Livelihood component	413 280.00	22/06/15	N/A								N/A	

Netrokona

WA #	Cat. #	Item #	Description	Amount in BDT	Date	1	2	3	4	5	6	7	8	9	Comments or Exceptions noted
11A	1B	88	Improv. Hasonpur GCR to Solakanda Ch. 670-880 at Modan UZ 2 nd R/A bill	585 272.25	19/02/15	N/A								N/A	
11A	3	54	Training bill of CIG (agriculture)	688 575.00	20/01/15	N/A	N/A								9: approved detailed budget for training
12A	5	23	Repair bill of Netrokona district	108 430.00	06/05/15	N/A								N/A	
12C	1A	7	Improv. Khaliajuri GC-Lipsa bazar road at ch. 7500-9500m	2 731 597.75	24/03/15	N/A									9: bank guarantee and procurement file

Sunamgonj

WA #	Cat. #	Item #	Description	Amount in BDT	Date	1	2	3	4	5	6	7	8	9	Comments or Exceptions noted
11A	4	5	Festival allowance for Eidul Fitr for DMU and UMUs – July 14	575 000.00	17/07/14	N/A		N/A		No					Payment from PMU. Bonus = 1 month's salary. 9: PD approval memo.
12A	1B	257	Re-excavation of Satar Duba beel at Tahirpur	121 925.70	22/06/15	N/A					X			N/A	WA claim based on value of works completed, instead of actual amount disbursed (over-claim of 573 BDT)
12C	1A	35	Construction of 4x4.5x5 RCC box culvert on Polikona-Goprurur road at ch. 850m over Goaspur Khal	304 000.00	04/06/15	N/A						°			9: performance security and procurement file Invoice: LGED form signed by contractor
12C	1B	248	Improv. Lawrer Gor bazar (fish shed, toilet, U-drain) – Badaghat Union, Tahirpur UZ	507 253.05	27/05/15	N/A					X			N/A	WA claim based on value of works completed, instead of actual amount disbursed (over-claim of 79 549 BDT)

B.Baria

WA #	Cat. #	Item #	Description	Amount in BDT	Date	1	2	3	4	5	6	7	8	9	Comments or Exceptions noted
11A	1B	81	1 st R/A bill Dhantolia village protection work at Nasirnagar UZ	580 050.00	12/02/15	N/A		N/A						N/A	
11A	3	51	Training bill for fisheries CIG	333 197.00	15/10/14	N/A	N/A				°	°			9: approved detailed budget for training
12A	1A	2	Constr. South Jagathshar-Chinair rail line box culvert	104 500.00	31/03/15	N/A					°				9: tender documents
12C	1B	19	Kalikaccha-Chanpur-Galania submersible road dev. (1518-1668) – Sorail UZ	310 207.05	31/03/15	N/A		X			°			N/A	Error in claimed amount in WA#8C, total amount claimed is equal to contract amount. See note@

Kishergonj

WA	Cat.	Item	Description	Amount in	Date	1	2	3	4	5	6	7	8	9	Comments or Exceptions noted
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#	#	#		BDT											
11A	1A	40	Construction of 20x6m RCC boat landing ram (ghat) for Gopdighi bazar at Mithamoin upazila	114 750.00	21/01/15	N/A							X		9: tender documents Beneficiary of check per bank statement is different from Contractor
11A	1B	60	Improv. Of Nikli Satirchar Sapmary road ch. 2355-2500	311 625.00	17/12/14	N/A					X			N/A	Payment made by 4 checks, three of which were omitted from the check register
12A	4	99	Salary (officers) for June 15 advice n° 309	640 992.00	30/06/15	N/A								N/A	
11C	1B	64	Construction of Hemantagonj bazar market protection work	150 570.00	03/12/14	N/A				X				N/A	10K BDT difference between measurement book and payment/claimed amount

Habigonj

WA #	Cat. #	Item #	Description	Amount in BDT	Date	1	2	3	4	5	6	7	8	9	Comments or Exceptions noted
11A	1A	41	Improv. Bithongal GC-Modari UP office via Bijaypur ch.1080-2040	68 660.00	20/01/15	N/A					°			N/A	Invoice: LGED form signed by contractor
11A	4	161	Travelling allowance Habigonj district Nov-Dec 14	193 860	21/01/15	N/A								N/A	
12A	1B	152	Improv. Bulla DC road-East Bulla road at ch. 00-175 at Lakhai UZ	352 656.90	24/06/15	N/A					°			N/A	
12A	3	11	Poly culture training (fish)	60 000.00	11/03/15	N/A	N/A								9: approved detailed budget for training

Documents verified (as applicable)

1. IFAD no objection (based on prior review thresholds)
2. Contract or purchase order
3. Proof of completion: Delivery slip (for goods), Statement of works or Progress Certificate (for works), Final report (for services), attendance sheet (for staff/consultants)
4. Invoice, contractor's claim, payroll statement, travel claim or other payment request document (certified by DPC, XEN or PD)
5. Bill form = debit voucher
6. Copy of bank transfer order or manual check register
7. Cashbook
8. Bank statement
9. Other documents (bank guarantee, contract monitoring form, travel authorization/BTO report, etc.)

N/A: Not applicable

° Copies of checks are not kept. The manual checks issued register, XEN cashbook and/ DMU cashbook could not be verified as they were not brought by the Finance Assistants to the PMU office.

@ B.Barria WA#12C, cat 1B, item 19. The PMU FA prepares the WAs for Cat 1B based on a worksheet prepared by the DMU FA, detailing all LCS payments; the PMU FA mistakenly used the wrong amount when preparing this WA.