

**Confidential**

Government of the People's Republic of Bangladesh  
Ministry of Finance  
Economic Relations Division  
Japan I Section  
Sher-e-Bangla Nagar, Dhaka.  
[www.erd.gov.bd](http://www.erd.gov.bd)

No. 09.151.024.35.00.006.2013-68

Date: 10 March, 2014.

**Subject: Signed Minutes of Discussions (M/D) under 35<sup>th</sup> ODA Loan Package.**

**Ref: Letter of JICA: JICA/LO-220//2014; Date: 09 March, 2014.**

The undersigned is directed to inform you that a wrap-up meeting with JICA Appraisal Mission on projects under 35<sup>th</sup> ODA Loan Package was held on 05 March, 2014 and Minutes of Discussions between JICA and GOB were signed. The copies of signed Minutes of Discussions are attached herewith for necessary action at your end. This is an utmost request that this should be kept confidential until Loan Agreement is signed.

Enclosure: As stated.

**Distribution (not in order of seniority):**

1. Dr. Atiur Rahman, Governor, Bangladesh Bank, Dhaka.
2. Mr. Monowar Islam, Secretary, Power Division, Bangladesh Secretariat, Dhaka.
3. Mr. Md. Mozammel Haque Khan, Secretary, Energy and Mineral Resources Division, Bangladesh Secretariat, Dhaka.
4. Dr. M Aslam Alam, Secretary, Bank & Financial Institutions Division, Ministry of Finance, Bangladesh Secretariat, Dhaka.
5. Mr. Monjur Hossain, Secretary, Local Government Division, Bangladesh Secretariat, Dhaka.
6. Dr. Zafar Ahmed Khan, Secretary, Ministry of Water Resources, Bangladesh Secretariat, Dhaka.
7. Mr. M.A.N. Siddique, Secretary, Roads Division, Bangladesh Secretariat, Dhaka.

**Copy to:**

1. Mr. Md. Shahidur Rahman, Director General, Bangladesh Water Development Board, Motijheel, Dhaka.
2. Prof. Dr. Md. Hossain Monsur, Chairman, Petrobangla, Karwan Bazar, Dhaka
3. Mr. Md. Abduhu Ruhullah, Chairman, Bangladesh Power Development Board, Dhaka
4. Mr. Md. Wahidur Rahman, Chief Engineer, Local Government Engineering Department, LGED Bhaban, Agargaon, Dhaka
5. Mr. Mofizul Islam Raj Khan, Chief Engineer, Roads and Highways Department, CNG orkshop, Tejgaon, Dhaka.

6. Mr. Masum-Al-Beruni, Managing Director, Power Grid Company of Bangladesh (PGCB), Engineers Institution Bhaban (1EB), 5th Floor, Ramna, Dhaka.
7. Mr. Md. Abul Quasem, Managing Director, Coal Power Generation Company of Bangladesh Limited (CPGL), Bidyut Bhaban, 1 Abdul Gani Road, Dhaka 1000.
8. Mr. Jameel A. Alam, Managing Director, Gas Transmission Company Ltd., Red Crescent Borak Tower (Level-4, 5, 6), 71-72 Elephant Road (Eskaton), Dhaka.
9. Mr. Mohammad Nurul Absar, Managing Director, Bangladesh Gas Fields Company Ltd., Brahmanbaria.
10. Mr. Meer Abdul Matin, Managing Director, Kamaluli Gas Distribution Company Ltd., Chittagong.
11. Mr. Md. Nowshad Islam, Managing Director, Titas Gas Transmission and Distribution Company Ltd., Kawran Bazar, Dhaka.
12. Mr. Kci Toyama, Senior Representative, JICA Bangladesh Office, Dhaka.

Mr. Mohammad Shafiqul Azam  
Additional Secretary  
Economic Relations Division  
Ministry of Finance  
Government of the People's Republic of Bangladesh

Reference: JICA/LO-220/2014  
Date: 9 March 2014

**Subject: Signed Minutes of Discussion (M/D) under proposed 35<sup>th</sup> ODA Loan Package for Bangladesh**

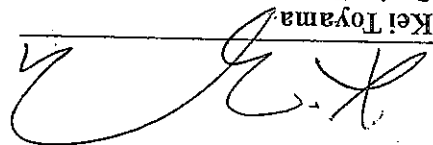
Dear Mr. Shafiqul Azam,

We thank you for arranging the wrap up meeting and signing the M/D successfully for all the projects under proposed 35<sup>th</sup> ODA Loan Package on 5 March 2014 at your office. We are pleased to send herewith the signed M/D to you (originals for 5 projects) and other stakeholders related to the projects (1 original for each).

We reiterated that all the information in the M/D should be kept highly confidential and please be reminded that the projects are still subject to the consideration of the Government of Japan.

Thank you and others very much for continued cooperation.

Yours Sincerely,

  
Kei Toyama  
Senior Representative  
JICA Bangladesh Office

**Attachments:**

1. M/D for Matarbari Ultra Super Critical Coal-fired Power Project (1)
2. M/D for Natural Gas Efficiency Project
3. M/D for Inclusive City Governance Project
4. M/D for Haor Flood Management and Livelihood Improvement Project
5. M/D for Small and Marginal Sized Farmers Agricultural Productivity Improvement Project

**Copy to (Not in Seniority):**

1. Dr. Atiur Rahman, Governor, Bangladesh Bank
2. Mr. Mohammad Mejbahuddin, Secretary, Finance Division, Ministry of Finance
3. Dr. Aslam Iqbal, Secretary, Bank and Financial Institutions Division, Ministry of Finance
4. Mr. Monowar Islam, Secretary, Power Division, Ministry of Power, Energy and Mineral Resources
5. Mr. Md. Mozammel Haque Khan, Secretary, Energy Division, Ministry of Power, Energy and Mineral Resources
6. Mr. Mozur Hossain, Secretary, Local Government Division, Ministry of Local Government, Rural Development and Cooperatives
7. Dr. Zafar Ahmed Khan, Secretary, Ministry of Water Resources
8. Mr. M.A.N. Siddique, Secretary, Road Division, Ministry of Communication
9. Md. Wahidur Rahman, Chief Engineer, Local Government Engineering Department

10. Mr. Mofizul Islam Raj Khan, Chief Engineer, Roads and Highways Department, Road Division, Ministry of Communication
11. Md. Abduhu Ruhullah, Chairman, Bangladesh Power Development Board
12. Dr. Hossain Monsur, Chairman, Petrobangla
13. Mr. Shahidur Rahman, Director General, Bangladesh Water Development Board
14. Mr. Md. Abul Quasem, Managing Director, Coal Power Generation Company Bangladesh Limited
15. Mr. Masum-Al-Beruni, Managing Director, Power Grid Company of Bangladesh Limited
16. Mr. Mohammad Nurul Absar, Managing Director, Bangladesh Gas Fields Company Limited
17. Mr. Meer Abdul Matin, Managing Director, Karnaphuli Gas Distribution Company Limited
18. Mr. Jameel A. Alam, Managing Director, Gas Transmission Company Limited
19. Mr. Md. Nowshad Islam, Managing Director, TITAS Gas Transmission and Distribution Company Limited

## Main Points Discussed on

### Haor Flood Management and Livelihood Improvement Project

I.	Major Issues
II.	Critical Issues Needing Immediate Actions
III.	Other Issues

#### I. Major issues

**Project Name**

1. The JICA mission, Bangladesh Water Development Board (hereinafter, BWDB) and Local Government Engineering Department of Local Government Division (hereinafter, LGED) confirmed that the Project is called as "Haor Flood Management and Livelihood Improvement Project".

#### Project Objective

2. The objective of the Project is to reduce the damages from flood, improve access to basic infrastructure and increase agriculture and fishery productivity by i) rehabilitating and constructing the flood management facilities, ii) rehabilitating and constructing the rural infrastructures and iii) implementing agriculture and fishery promotion activities in the haor areas in the upper Meghna river basin, thereby contributing to the improvement of living standard and activation of economic activities in the target area.

#### Project Component

3. The Project consists of three components; Component 1: Flood management infrastructure, Component 2: Rural infrastructure, Component 3: Agriculture and fishery promotion. Component 1 will include the rehabilitation and construction of existing flood management facilities, such as full embankment, submergible embankment, regulators and canal re-excavation. Component 2 will include the upgrading and rehabilitating upazila, union and village roads, rehabilitation and construction of markets and ghats. In Component 3, various activities to promote agriculture and fishery in the haor areas will be implemented to improve people's livelihood.

#### Project Cost

4. The total cost of the Project will be 26,141 million JPY. 15,270 million JPY will be financed by yen loan and 10,871 million JPY will be financed by GOB. The cost estimation is shown in the table below.

[Project Total]

Breakdown of Cost	Foreign Currency Portion (million JPY)			Local Currency Portion (million JPY)			Total (million JPY)		
	Total	JICA Portion	Others	Total	JICA Portion	Others	Total	JICA Portion	Others
Component 1 (Flood Management Infrastructure)	0	0	0	247	5,028	4,781	247	5,028	4,781
1-1 Flood management infrastructure development	0	0	0	247	5,018	4,771	247	5,018	4,771
1-2 Capacity development	0	0	0	10	10	10	10	10	10
Component 2 (Rural Infrastructure)	0	0	0	4,867	6,437	4,867	1,570	6,437	4,867
2-1 Rural infrastructure development	0	0	0	4,793	6,363	4,793	1,570	6,363	4,793
2-2 Institutional Strengthening	0	0	0	61	61	61	0	61	0
2-3 Capacity Development	0	0	0	13	13	13	0	13	0
Component 3 (Agriculture and Fishery Promotion)	0	0	0	1,016	1,016	1,016	0	1,016	0
Component 3-1 Agriculture	0	0	0	271	271	271	0	271	0
Component 3-2 Fishery	0	0	0	745	745	745	0	745	0
Price Escalation /	0	0	0	2,543	2,543	2,219	323	2,543	2,219
Physical Contingency	0	0	0	751	644	107	107	751	644
Consulting Services	344	344	0	1,399	1,399	0	0	1,743	1,743
Component 1 & 3-1	256	256	0	756	756	0	0	1,012	1,012
Component 2 & 3-2	88	88	0	642	642	0	0	730	730
Interest during construction	8	0	8	0	0	0	0	8	0
Land Acquisition	0	0	0	4,428	4,428	0	0	4,428	0
Administration Cost	0	0	0	1,561	1,561	0	0	1,561	0
VAT and Duties	0	0	0	2,627	2,627	0	0	2,627	0
Total	352	344	8	25,789	14,926	10,862	26,141	15,270	10,871

2018 X 10.6 %  
 = 214,962.5  
 29,193,061,250 / 100

Breakdown of Cost			Foreign Currency Portion (million JPY)			Local Currency Portion (million JPY)			Total (million JPY)		
Total	JICA Portion	Others	Total	JICA Portion	Others	Total	JICA Portion	Others	Total	JICA Portion	Others
Component 2 (Rural Infrastructure)	0	0	6,436	4,867	1,569	6,436	4,867	1,569	6,436	4,867	1,569
Component 3-2 (Fishery promotion)	0	0	745	745	0	745	745	0	745	745	0
Price Escalation	0	0	1,229	967	262	1,229	967	262	1,229	967	262
Physical Contingency	0	0	420	329	92	420	329	92	420	329	92
Consulting Services	88	88	642	642	0	642	642	0	642	642	0
Land Acquisition	0	0	539	539	0	539	539	0	539	539	0
Administration Cost	0	0	969	969	0	969	969	0	969	969	0
VAT and Duties	0	0	1,434	1,434	0	1,434	1,434	0	1,434	1,434	0
Interest during construction	4	4	0	0	0	0	0	0	0	0	4
Total	92	88	12,415	7,550	4,865	12,507	7,638	4,869	12,507	7,638	4,869

550  
 5667  
 4931  
 13% = 641  
 87%  
 4931  
 6619  
 1013  
 7632

[LGED Portion]

Breakdown of Cost			Foreign Currency Portion (million JPY)			Local Currency Portion (million JPY)			Total (million JPY)		
Total	JICA Portion	Others	Total	JICA Portion	Others	Total	JICA Portion	Others	Total	JICA Portion	Others
Component 1 (Flood Management Infrastructure)	0	0	5,028	4,781	247	5,028	4,781	247	5,028	4,781	247
Component 3-1 (Agriculture Promotion)	0	0	271	271	0	271	271	0	271	271	0
Price Escalation	0	0	1,314	1,252	61	1,314	1,252	61	1,314	1,252	61
Physical Contingency	0	0	331	315	15	331	315	15	331	315	15
Consulting Services	256	256	756	756	0	756	756	0	756	756	0
Land Acquisition	0	0	3,889	3,889	0	3,889	3,889	0	3,889	3,889	0
Administration Cost	0	0	592	592	0	592	592	0	592	592	0
VAT & Duties	0	0	1,193	1,193	0	1,193	1,193	0	1,193	1,193	0
Interest during construction	4	4	0	0	0	0	0	0	0	0	4
Total	260	256	13,374	7,376	5,997	13,634	7,632	6,002	13,634	7,632	6,002

[BWBDB Portion]

## II. Critical Issues Needing Immediate Actions

5. The JICA mission emphasized that the following issues have to be resolved by the time of signing of Loan Agreement, and otherwise consideration of a loan for the Project may be postponed to the future ODA loan package:
- (a) Approval of the Development Project Proposal (DPP) (Para.6)
  - (b) Formulation of Interim PMO (Para.10)

Details of the issues are described in the sections below.

### Development Project Proposal (DPP)

6. Development Project Proposal (DPP) for the Project will be finalized based on the results of this JICA mission. The implementation schedule, consultant man-month, scope of works and cost estimates as agreed at the time of this JICA mission cannot be changed in DPP without prior consultation and consent of JICA, JICA mission and BWDB and LGED agreed to secure necessary GOB budget in particular for land acquisition for the smooth implementation of the Project. The JICA mission reiterated that DPP approval is prerequisite to L/A effectuation. The JICA mission also explained that if this DPP approval process is delayed to the extent that the approval of DPP by L/A effectuation is deemed to be uncertain for the time-being from JICA's perspective, the effectuation of L/A between GOB and JICA may be postponed. GOB including BWDB and LGED agreed to take necessary actions to obtain approval by ECNEC before L/A effectuation.

7. BWDB will reexamine and revise if necessary the cost of land acquisition which the preparatory survey estimated and consult with JICA before the submission of DPP (by the end of March 2014). JICA will confirm that the revised cost is estimated based on replacement cost stipulated in JICA Guidelines for Environmental and Social Considerations (April 2010) and BWDB will obtain approval of DPP with the revised land acquisition cost. The necessary area and cost for land acquisition will be further examined during the detailed design phase and if the cost exceeds the estimated cost in DPP and it becomes difficult to secure additional funding, then, in consultation and with prior consent of JICA, BWDB will consider changing subprojects (replacing new construction with rehabilitation).

### Schedule of the Project before and after the Loan Agreement (L/A)

8. The JICA mission explained that the result of the discussion with BWDB and LGED, and GOB officials regarding the Project shall be reported to the Government of Japan (GOJ), and that GOJ will finally decide the crucial points including but not limited to the loan amount, loan expiry date, and conditions of loan of the Project. The JICA mission also explained that the Prior Notification from GOJ to GOB for the Project is expected to be made in March 2014 and Exchange of Note (between GOJ and GOB) and the Loan Agreement (L/A) is expected to be signed by April 2014 if the loan to the Project is to be officially approved in a timely manner.

9. The JICA mission and BWDB and LGED, and GOB officials confirmed the implementation schedule and key actions before and after the L/A as shown in the Time-bound Action Plan (Annex



13. The JICA mission explained that JICA shall not be liable for any charges/fees accrued in the

notice.

between the BTMU and the BWDB's and LGED's Applicant Bank within 30 days from the decision L/A signing. BWDB and LGED will expedite the process to conclude the banking arrangement Cooperatives, could decide BWDB's and LGED's Applicant Banks no later than 30 days after the Ministry of Water Resources and the Ministry of Local Government, Rural Development and immediately after the L/A signing, so that Finance Division of MOF, upon the request from the Development and Cooperatives respectively for selecting BWDB's and LGED's Applicant Banks request letter to the Ministry of Water Resources and the Ministry of Local Government, Rural immediately after the L/A signing. For Commitment Procedure, BWDB and LGED will send a (The Bank of Tokyo-Mitsubishi UFI (BTMU)) and the GOB's Agent Bank (Bangladesh Bank) conclusion of the banking arrangement for the L/A of the Project between the JICA's Agent Bank the smooth flow of disbursement, ERD is required to facilitate the necessary preparation and 12. For Transfer, Reimbursement, Advance and Special Account Procedure, in order to realize

#### Banking Arrangements

- Issuance of RFP by BWDB and LGED (by mid-August 2014, within 2 weeks after JICA's concurrence).
- Completion of RFP documents for Consulting Services by BWDB and LGED (by end of June 2014)
- EOI notice by BWDB and LGED (by end of March 2014)
- Preparation of the 1<sup>st</sup> draft of EOI documents for Consulting Services by BWDB and LGED (by mid-March 2014)
- signing BWDB and LGED agreed to take necessary actions as follows:

11. The JICA Mission and BWDB and LGED agreed that, in order to start the Project timely, preparation of RFP for Consultant selection should be started by BWDB and LGED even before L/A

#### Schedule of Consultant Selection

10. For BWDB, the interim PMO for the Project will be formulated with PD working as full time staff for the Project by 15<sup>th</sup> March 2014. The interim PMO will be responsible for the project formulation, preparation of DPP and the consultant selection as JICA's counterpart until the DPP is officially approved. The interim PMO consists of 1 PD, 1 executive engineer and 1 assistant engineer as a full-time project staff. Chief agronomist will also provide necessary support to the interim PMO in the area of agriculture activities. All the posts of the interim PMO should continue to be filled by qualified personnel during the project formulation period. The interim PMO is already formulated and functioning in LGED.

#### Formulation of Interim PMOs

III) and the Project Implementation Schedule (Appendix 12 and 13 of Annex II). GOB agreed to; (i) start the preparation for the Short List and Request for Proposal (RFP) for the consulting services and advertise the request for the Expression of Interest (EOI) even before the Prior Notification; and (ii) issue RFP to short-listed consultants in principle immediately after the Prior Notification.

banking transactions and losses incurred by the exchange rate fluctuation through the flow of disbursement. GOB is required to bear the cost for the gap between (i) the claims from Suppliers and the actual payments to Suppliers (in Transfer Procedure), and (ii) the requests from GOB and the actual disbursed amount to GOB (in Reimbursement Procedure). Therefore, the JICA mission and BWDB and LGED agreed that BWDB and LGED will incorporate the estimated amount of such charges and losses into DPP for the Project to secure the smooth disbursement and project implementation.

#### Process of Conclusion and Effectuation of the L/A

14. Conclusion and effectuation process of the Loan Agreement is as follows:

(a) Consultation and Signing:

After project appraisal is completed, JICA prepares draft L/A and submits it to Economic Relations Division (ERD), Ministry of Finance (MOF). ERD sends the copy of draft L/A to concerned Ministry/Organizations for seeking their review.

JICA sends Legal Questionnaire to ERD and request ERD to submit Legal Answer to the draft L/A. Once the draft L/A is finalized, ERD sends Power of Attorney to authorize the nominated officials to sign the L/A.

GOB confirmed that this entire process would be completed approximately within one month.

(b) Ratification and Effectuation:

After signing of the L/A, ERD collects Specimen Signature from BWDB and LGED (and the Ministry of Water Resources and the Ministry of Local Government, Rural Development and Cooperatives) and issues Evidence of Authority. Then ERD sends the signed L/A together with Evidence of Authority and Specimen Signature to MLJPA for Legal Opinion/Vetting required for L/A effectuation. Once JICA receives all the necessary documents and all conditions stipulated in L/A are satisfied, JICA declares the L/A effectuation. The L/A effectuation has to be made within 120 days after the L/A signing. ERD is committed to completing all the relevant domestic procedures related to the signing and effectuation of the L/A within the shortest feasible period.

### III. Other Issues

#### A. Specific Issues

#### O&M of Flood management infrastructure

15. One of the reasons for inadequate maintenance is the lack of budget allocation for O&M for BWDB. O&M budget allocation for FY2012/13 was 3678.1million taka while the requested amount was 26,533.3million taka (Allocation was only 13.85% of requested amount). The JICA mission and BWDB agreed that BWDB and the Ministry of Water Resources are committed to allocate sufficient O&M budget every year (estimated as 67 million taka per year) to meet the required amount and available O&M budget will be allocated based on priority in accordance with 'Policy on O&M of Permanent Structures of BWDB (October, 2010)'. The Policy stipulates that during the preparation

of annual repair work plan, highest priority will be given to repair and maintenance works for the projects in coastal areas, in haor areas and for the irrigation projects.

16. The lack of manpower especially in the field level offices is also a serious problem for O&M for BWDB. BWDB will maintain the implementation arrangement established during the project implementation (shown in the table below) including one subdivision office to be newly established in Kishoreganj to secure necessary manpower for O&M.

#### Establishment of PMOs and PTUs

17. BWDB will officially appoint the core members of PMO at its headquarters and PTU in each division offices will be established within 3 months after the approval of DPP. Interim PMO will be responsible for necessary works before the establishment of PMO and PTUs.

18. PTU will be composed of the existing posts of each division office. Since vacancy rate is very high in all 5 division offices, vacant posts among the approved positions shown below should be full filled by the time of PTU establishment (i.e. within 3 months after DPP approval) by appointing existing BWDB staff members. In addition to the existing posts, assistant extension officers (2 per district) who will be in charge of agriculture promotion activities and facilitation of formulation of Water Management Organizations (WMOs) should be assigned together with the several extension overseers at each section office.

19. Because of heavy work load undertaken by the Kishoreganj PTU, an additional sub-division office will be newly established for the Project under Kishoreganj division office. PMO will be responsible for gaining approval from the Governing Council of BWDB for the establishment of the new sub-division office and the office should start to function before the commencement of physical construction work.

- (a) maintain, or cause to be maintained, records and accounts adequate to reflect, in accordance with consistently maintained sound accounting practices, the expenditures financed out of the proceeds of the Loan;
- (b) have the records and accounts for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by the said auditor;
- BWDB and LGED shall:

21. Under the SOE method, records and accounts related to expenditures financed from JICA Loan shall be audited annually by Auditor General and the Audit Report needs to be furnished to JICA annually within 6 months after the end of each fiscal year, i.e. by December of each year.

**Statement of Expenditure (SOE) Method**

20. LGED will officially appoint the core members of PMO (who will be transferred within LGED) at its headquarters and PIU in each district offices will be established within 3 months after the approval of DPP. New recruitment for the Project including those covered by institutional strengthening support activities will be completed within 6 months for PMO and 9 months for PIUs respectively after the approval of DPP. Interim PMO will be responsible for necessary works before the establishment of PMO and PIUs.

DO = Division Office, SDO = Sub-division Office, SO = Section Office  
Note: Set = Set up, Exi = Existing, New = New set up.

Name of Office	Division Office	Sub-division Office	Section Office	Directorate of O&M											
	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24	Set up: 24, Existing: 14, New set up: 24
Netrokona	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New
Kishoreganj	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New
Habiganj	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New
Brahmanbaria	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New
Sunamganj	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New	Set   Exi   New

(Unit: person)

Manpower necessary for implementation and O&M in BWDB offices

Source: BWDB, O&M Directorate and 5 Division Offices

Note: \* 1 Division offices include the number of manpower of sub-division and section offices.

Office	Approved Nos.	Existing Nos.	Vacant Nos.	Vacant Rate (%)	Local Offices *				
					Headquarters	Netrokona O&M Division	Kishoreganj WD Division	Brahmanbaria WD Division	Sunamganj O&M Division
	24	14	10	42		64	23	41	64
				58			32	49	82
				67			32	65	67
				62			23	38	62

(Unit: person)

Approved and existing manpower in BWDB offices

(c) furnish JICA as soon as available, but in any case not later than 6 months after the end of each fiscal year, with a certified copy of the report of such audit by the said auditor, of such scope and in such detail as JICA may reasonably request;

(d) furnish JICA with such other information concerning said records and accounts, and the audit thereof, as JICA may from time to time reasonably request;

(e) retain, until at least five (5) years after the Completion Date, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;

(f) enable JICA's representatives to examine such records;

(g) ensure that such records and accounts are included in the annual audits referred to in paragraph (c) above and that the report of such audit contains a separate opinion by the said auditor as to whether the statements of expenditures submitted during such fiscal year, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related disbursement; and,

(h) in the event that the use of a specified amount of the Loan is not justifiable according to a certified copy of the report of such audit referred to in paragraph (b) above, refund to JICA, upon request of JICA, such unjustifiable amount.

When BWDB or LGED, in the opinion of JICA, fails to perform its obligations stated in the above, JICA may, by notice to the Borrower, suspend in whole or in part the rights of the Borrower under the Loan Agreement until JICA determines that such failure has been fully remedied.

#### Signing of MOU with DAE and DOF

22. Agriculture promotion activities and fishery promotion activities will be implemented with the support of DAE and DOF respectively at the field level. BWDB and LGED will identify areas where DAE or DOF cooperation is needed and have discussions with DAE or DOF. BWDB will sign the MOU with DAE before the commencement of the development of activity plan (by October 2016) and LGED will sign the MOU with DOF before the preparatory phase of the activities (by December 2014). BWDB and LGED should submit the copy of signed MOUs to JICA. MOU needs to specify the activities to be undertaken in Component 3-1 (agriculture) and 3-2 (fishery) with the cooperation of DAE and DOF, services to be provided, implementation arrangements and necessary cost (to be provided to DAE through BWDB and DOF through LGED). BWDB will sign the LOA (Letter of Agreement) with BRRI and BARI to obtain cooperation for field trial activities from them by October 2016.

#### B. General Issues

## Disclosure of the Project Implementation Schedule

23. The expected implementation schedule with the updated status of the Project may be made public by JICA. BWDB and LGED shall make the aforementioned information available for JICA upon request, and agreed to submit such information to JICA on a quarterly basis as Progress Status Report (PSR).

## Procedures for Consultant Selection

24. BWDB and LGED will select the consultants in accordance with the latest "Guidelines for the Employment of Consultant under Japanese ODA Loans".

(http://www.jica.go.jp/english/our\_work/types\_of\_assistance/oda\_loans/oda\_op\_info/guide/index.html)  
(a) Consultants will be employed for smooth project implementation through a short-list method to avoid lowering of quality. BWDB and LGED will employ the international-level experienced consulting firms in order to ensure smooth implementation of the Project.  
(b) JICA's review and concurrence is required in the selection process in accordance with the relevant loan agreement.

(c) BWDB and LGED will prepare the Request for Proposal (RFP) document in accordance with the latest "Standard Request for Proposals under Japanese ODA Loan" at the time of finalization of bidding documents.

(d) The Request for Proposal (RFP) should be in principle sent after the Prior Notification for the short-listed consultants. On the other hand, for expeditious implementation of the Project, the consulting services can be prepared even before the Prior Notification.

(e) Quality- and Cost-Based Selection (QCBS) method is applied to the selection of consultants under the Project. As to the evaluation of proposal in QCBS method, the total score shall be obtained by weighting and adding the technical and financial scores in accordance with the latest "Guidelines for the Employment of Consultants under Japanese ODA Loans". BWDB and LGED will adopt the weight of maximum 20% for the "cost" in the Project. The agreed M/M should be provided as "Minimum M/M" in RFP.

## Procurement under the Local Competitive Bidding (LCB)

25. With reference to the JICA's letter dated December 2, 2009 (JFY2009, 4R-0008) to Economic Relations Division of the Ministry of Finance, the following amendments to the Public Procurement Act 2006 made by GOB shall not be acceptable to any procurement under the LCB of the Project, as it is necessary for Japanese ODA Loan projects to ensure economy, efficiency, and transparency.

- (a) Use of lottery for contracts
- (b) No qualification / experience requirements
- (c) Rejection of bids above or below 5 percent of the contract estimate

## Disbursement Period and Procedure

26. No disbursement shall be made for the Project later than the same day and month ten (10) years after the effective date of the Loan Agreement, unless otherwise agreed between JICA and the

Borrower, although it will be determined at the L/A negotiation stage.

27. GOB including BWDB and LGED agreed that Transfer Procedure or Commitment Procedure (mainly Transfer Procedure) may be applicable for the foreign currency portion and that Transfer Procedure or Reimbursement Procedure (mainly Transfer Procedure) or Advance or Special Account Procedure will be applicable for the local currency portion, although the details of the procedure will be explained in subsequent JICA missions and selection will be made at the L/A negotiation stage. Also, GOB including BWDB and LGED agreed that all L/C (Letter of Credit) and banking charges, local banking charges, if any, should be paid by the administration cost of GOB and/or BWDB and LGED.

(cf. [http://www.jica.go.jp/english/operations/schemes/oda\\_loans/oda\\_op\\_info/procedure/](http://www.jica.go.jp/english/operations/schemes/oda_loans/oda_op_info/procedure/))

#### Evaluation Activity

28. JICA will publish the "Ex-Ante Project Evaluation Report" soon after the signing of the L/A for the Project. The report consists of eight major items: 1) project name, 2) necessity and justification of the Japanese ODA Loan, 3) objectives of the Project, 4) project description, 5) operation and effect indicators (performance indicators), 6) risk due to external factors, 7) evaluation results of past similar projects and lessons learned, and 8) evaluation plan. And JICA also should conduct ex-post evaluation 2 years after the Project completion at JICA's expense, so as to assess the Project's effectiveness, impact, and sustainability. BWDB and LGED confirmed, at the timing of both evaluations, and shall submit necessary evaluation results including Operation and Effect Indicators, EIRR and FIRR along with data used for calculation.

#### Public Relations (PR) of the Project

29. In an effort to foster the friendship between Japan and the People's Republic of Bangladesh, BWDB and LGED agreed to inform the general public of the use of the Japanese ODA Loan for the Project through mass media (TV and Press, etc.) and to publicize at appropriate occasions such as the inauguration and completion of the Project. In such occasions, GOB agreed to announce accurate information of Japanese assistance by referring to Japanese ODA Loan. BWDB and LGED agreed to invite officers from the Japanese Embassy and JICA to the opening and completion ceremonies.

30. BWDB and LGED agreed that they would install such as commemorative panels which describe the use of the Japanese ODA Loan at the project sites. The example for design of the panels is shown in Appendix 29.

#### Finalization of Project Memorandum (P/M)

31. JICA and GOB confirmed that any clarification on this M/D will be further discussed through the finalization of P/M and will be incorporated in P/M accordingly.

(END)

## ANNEX II

<p><b>Project Status Report</b> on <b>Haor Flood Management and Livelihood Improvement Project</b> Loan Agreement No BD-PXX</p>
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### Organization Information

<p><b>Borrower</b></p> <p>Person in Charge Secretary Economic Relations Division, Ministry of Finance Address: Sher-e-Bangla Nagar, Dhaka, 1027 Phone/FAX: +880-2-8113088 Email:</p> <p>Contacts</p>	<p><b>Executing Agency (for Flood Management and Agriculture)</b></p> <p>Person in Charge Director General Bangladesh Water Development Board (BWDB) Ministry of Water Resources Address: WAPDA Building, Motijheel C/A, Dhaka-1000 Phone/FAX: +880-2-9564665 Email:</p> <p>Contacts</p>	<p><b>Executing Agency (for Rural Infrastructure and Fishery)</b></p> <p>Person in Charge Chief Engineer Local Government Engineering Department (LGED) Local Government Engineering Department (LGED) Ministry of Local Government, Rural Development and Cooperatives Address: LGED Bhaban, Agrargaon, Sher-e-Bangla Nagar, Dhaka, - 1207 Phone/FAX: +880-2-8114804 / 2-8116390 Email: info@lged.gov.bd</p> <p>Contacts</p>
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### Outline of Financial Arrangements:

<p><b>Source of Finance</b></p> <p>JICA: Not exceeding ¥15,270million Government of Bangladesh ¥10,871million</p>	<p><b>Terms and Conditions</b></p> <p>For JICA - Interest Rate: 0.01 % p.a. - Repayment Period: 40 years, including 10 years of grace period - Tying Status: Untied</p>
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1: Project Description (Relevance)
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<p><b>Original</b></p> <p>The objective of the Project is to reduce the damages from flood, improve access to basic infrastructure and increase agriculture and fishery productivity by i) rehabilitating and constructing the flood management facilities, ii) rehabilitating and constructing the rural infrastructure and iii) implementing agriculture and fishery promotion activities in the haor areas in the upper Meghna river basin, thereby contributing to the improvement of living standard and activation of economic activities in the target area.</p> <p><b>Modified objective and its reason(s): (P/R and PCR)</b></p>
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- 1-2 Necessity and Priority of the Project
- Consistency with development policy, sector plan, national/regional development plans and demand of target group and the recipient country.

<p><b>Original:</b></p> <p>[Background]</p> <p>The substantial part of Bangladesh belongs to a low lying delta formed by three international rivers, the Ganges River, the Brahmaputra River and the Meghna River. In the upper Meghna River basin, so-called 'haor' areas stretch over the north-eastern districts and 8,600 km<sup>2</sup> of the land area become inundated during the monsoon period. Agriculture, especially paddy cultivation, and fishery are the main economic activities in the region. The rice production in the haor areas, mostly boro rice cultivation, is about 5.3 million tons per year, which accounts for about 16% of the total production of the country. Flash flood caused by severe rainfall in the mountainous area in India in the pre-monsoon period causes severe damages to paddy fields just before harvesting.</p> <p><b>[Needs of the area]</b></p> <p>1. Flood management</p> <p>Since the main income source of the people in the haor areas is mostly boro rice cultivation, severe damages caused by flash flood destabilize the people's lives where employment opportunity other than agriculture or fishery is very limited. People lost on average 60% of their annual income because of the damages caused by the large scale flash flood in the past. Since it is not possible to protect this area from flooded during rainy season, the main flood protection in the area is to protect boro rice from flash flood. There are many areas where submergible embankments are not established yet or embankments are damaged, are not functioning properly and require large repair works.</p> <p>2. Rural infrastructure development</p> <p>Because of the feature of the haor areas where most areas are inundated for about half a year, the level of basic infrastructure development are falling behind from other areas. Low level of infrastructure development, such as roads, markets and ghats, are obstacles for economic activities in the area and also hinders access to various public services.</p> <p>3. Agriculture and fishery promotion</p> <p>Agriculture and fishery are the main sources of income of the people in the haor areas. Agriculture in the haor area predominantly relies on the rice cultivation, which occupies more than 90% of the cultivated land in the haor areas, but productivity of rice cultivation in the haor areas is lower than those of other areas. Although only 2.5% of the people are professional fisher men, more than 70% of the people do fishing and fishery is an important source of income and nutrition. Since it is pointed out that gradually fish resources are decreasing, measures to ensure sustainable fishery need to be taken.</p> <p><b>[Development policy and plans]</b></p> <p>1. Sixth Five Year Plan (2011-2015)</p> <p>In this comprehensive national development plan, the haor areas are considered as vulnerable areas for natural disaster which require special attention in terms of access to various services. At the same time, the potential of the haor areas for agriculture and fishery development is considered to be high.</p> <p>2. National Water Policy (1999), National Water Management Plan (2004)</p>
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<p>National Water Policy aims to provide direction to all agencies working in the water sector to manage the water resources of the country in a comprehensive, integrated and equitable manner. National Water Management Plan provides short, medium, long-term plans till 2025. For the haor areas, flash flood management, rehabilitation of existing schemes, bank erosion protection are highlighted as the main issues.</p> <p>3. Master Plan of Haor Areas (2012)</p> <p>The Bangladesh Haor and Wetland Development Board (BHWDB) was established as a coordinating body and the Master Plan of Haor Areas was approved in April 2012. The Haor Master Plan is a comprehensive plan for next 20 years covering 17 sectors based on above mentioned policies and plans. The Haor Master Plan envisages the necessity of the proper water resources management in the region and prioritizes projects for flash flood management, wave erosion protection, drainage improvement, irrigation, agriculture and fishery production improvement, etc.</p>	<p><b>Actual:</b></p> <p>[To be filled and reported by the Executing Agency during implementation and at completion of the Project]</p> <p>Appendix(s): required only when they are revised.</p>
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### 1-3 Rationale of the Project Design

- Timing, scale, technology of the Project (including Civil Works)

<p><b>Original: (P/M)</b></p> <p>1. Align with the Master Plan of Haor Areas</p> <p>The Master Plan aims to achieve sustainable development of the haor areas by integrated planning and implementation through multi-organizational involvement and community participation. In accordance with this direction of the Master Plan, the Project aims to achieve the development of the haor areas through integrated approach. The Project is composed of three components, flood management infrastructure development, rural infrastructure development, and agriculture and fishery promotion activities, which address important issues hindering the development of the haor areas and synergistically bring positive impact to the area's development and people's living.</p> <p>2. Flood management infrastructure</p> <p>(1) Rehabilitation of existing infrastructure</p> <p>The sites for the rehabilitation of existing infrastructure such as submergible embankments, regulators and drainage canals are listed up based on the investigation of the existing infrastructure in the target districts excluding those planned to be rehabilitated by GOB. These infrastructures are prioritized based on the impact of flood damage mitigation and are selected in accordance with the priority.</p> <p>(2) New construction of infrastructure</p> <p>The Master Plan of Haor Area (2012) identified the sites which require new flood management infrastructure. The proposed new subprojects are prioritized based on the impact of flood damage mitigation and are selected in accordance with the priority.</p> <p>3. Rural infrastructure</p> <p>The Project aims to develop rural infrastructure which can produce synergy effect with flood management infrastructure by facilitating economic activities. People in the target haor areas can be spared from severe damages to their income or assets from flash flood by flood management facilities but to improve the standard of living, measures need to be taken to activate economic activities by overcoming various obstacles, such as unaccessibility of the areas. Rural infrastructure to be developed or rehabilitated are rural roads (upazila, union, village roads), markets and ghats. The sites are selected from the same areas with the flood management infrastructure to produce synergy effect and selected according to the priority based on the number of beneficiaries.</p> <p>4. Agriculture and fishery promotion</p> <p>Based on the needs identified in the Master Plan and additional survey conducted in the preparatory survey, priority projects were selected both for agriculture and fishery promotion. Since agriculture and fishery are the main income sources of the people in the haor areas, it is effective to implement activities which contribute to increasing productivity or diversification together with infrastructure improvement so that living standard of the people in the target areas is improved.</p>	<p>3</p>
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Actual:	[To be filled and reported by the Executing Agency during implementation and at completion of the Project]
Appendix(s):	

2: Project Implementation (Efficiency)
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2-1 Project Scope  
Overview of the Project Scope is as follows:

(1) Project which is under consideration for FY2013 Japanese ODA loan  
- As stipulated in Table 2-1-1 a and Table 2-1-1 b

Table 2-1-1a: Comparison of Original and Actual Location

Original:	Brahmanbaria, Habiganj, Kishoreganj, Netrokona and Sunamganj districts
Actual:	[To be filled and reported by the Executing Agency during implementation and at completion of the Project]
Appendix(s):	

Appendix 1: Project Site Map

Table 2-1-1 b: Comparison of Original and Actual Scope of the entire project

Items	Original	Actual
Component 1: Flood management infrastructure	<p>Component 1-1: Flood management infrastructure development</p> <p>1) Full embankment 1.55 km</p> <p>2) Submergible embankment 8.09 km</p> <p>3) Regulators</p> <p>New construction 342.3 km</p> <p>Replacement of gates 98 nos</p> <p>Reinstallation of regulators 5 nos</p> <p>New installation 42 nos</p> <p>4) Re-excavation of canals</p> <p>Rehabilitation 75.4km</p> <p>New 266.0km</p> <p>Component 1-2: Capacity development</p> <p>1) Training for O&amp;M manual (for BWDB officials)</p> <p>2) Training for Water Management Organization (WMO)(formulation of WMO, management training, O&amp;M technical training for WMO members)</p>	
Component 2: Rural Infrastructure	<p>Component 2-1: Rural infrastructure development</p> <p>1) Upgrading of rural road</p> <p>Total: 415.84km</p> <p>- Upazila Road 121.13 km</p> <p>- Union Road 157.69 km</p> <p>- Village Road 135.38 km</p> <p>- Bridge 780 m</p> <p>- Culvert 860 m</p>	

<p>Component 3: Agriculture and fishery promotion</p>	<p>2) Rehabilitation of existing roads (10% of Construction Cost for Rural Road) [GOB portion]  3) Growth centers and rural markets 22 places [GOB portion]  4) Ghats 21 places [GOB portion]  Component 2-2: Institutional strengthening  PMO: Environmental expert (1 person)  M&amp;E specialist (1 person)  PIUs: Community infrastructure expert and Community resource management expert (1 person each for each PIU)  Component 2-3: Capacity Development  Training for Labor Contracting Society (LCS) members (Regarding construction and O&amp;M)</p>	
<p>Component 3-1: Agriculture</p>	<p>1) Field program (adaptive trial of new varieties, field demonstration on improved agricultural practices, etc)  2) Farmer training program (farming skills, farmers' organization strengthening, etc)  3) Field staff empowerment  4) Small scale farmer support  5) Farm machinery support  6) Technology development  7) Small scale income generation (vegetable, micro-poultry, fruits production, etc)  Component 3-2: Fishery  1) Development of beel (excavation, fish sanctuary, beel fish nursery)  2) Income generating activity (Net-pen fish culture, fish cage culture, backyard pond aquaculture, etc)  3) Fisheries support service (Strengthening of extension services)  4) Workshops, seminars, exchange visits</p>	
<p>Consulting services</p>	<p>Consulting services (for BWDB)  1. Detailed design  2. Base line survey  3. Tender assistance  4. Construction supervision  5. Capacity Development support for Water Management Organization  6. Agriculture activities support  7. Environment and social monitoring  Consulting services (for LGED)  1. Detailed design  2. Base line survey  3. Tender assistance  4. Construction supervision  5. Fishery activities support  6. Environment and social monitoring</p>	

Appendix 7: Manning schedule for consulting services (for BWDB portion)  
Appendix 8: Terms of Reference for consulting services (for LGED portion)  
Appendix 9: Manning schedule for consulting services (for LGED portion)  
Appendix 10: Details of Component 1-2 Capacity Development  
Appendix 11: Details of Component 2-2 Institutional Strengthening

2-1-2 Reason(s) for the modification if there have been any.

Actual	Project/
[To be filled and reported by the Executing Agency during implementation and at completion of the Project]	

## 2-2 Implementation Schedule

### 2-2-1 Project Schedule

Table 2-2-1 a: Comparison of Original and Actual Schedule

Preconditions		Items	Original	Actual	
Loan Agreement	April 2014				
	DPP Approval	June 2014			
	Loan Effectuation	July 2014			
	Selection of Consultants				
EOI preparation	Mid-March 2014				
	RFP preparation	End of June 2014			
	BOI notice	End of March 2014			
	Completion of BOI evaluation	June 2014			
	JICA's concurrence to shortlist/RFP	July 2014			
	Issuance of RFP	August 2014			
	Closing of proposal submission	September 2014			
	Technical proposal evaluation (incl. JICA's concurrence)	October 2014			
	Overall evaluation (incl. JICA's concurrence)	November 2014			
	Contract negotiation	January 2015			
	Contract signing (incl. JICA's concurrence)	February 2015			
	Civil work				
Component 1: Flood management					
Detailed Design	February 2015 ~ August 2016			Please state not only the most updated schedule but also other past revisions chronologically.	
	Tendering and contract	September 2016 ~ October 2021 (in five phases)			
	Construction	November 2017 ~ April 2022			
Component 2: Rural infrastructure					
Detailed Designing	February 2015 ~ January 2018 (in phases)				
	Tendering and contract	May 2015 ~ December 2019 (in five phases)			
	Construction	November 2015 ~ April 2020			
Agriculture promotion activities					
Preparation of operational guideline and operation manuals	October 2016 ~ November 2016				
	MOU with DAE LOA with BRRI and BARI	by October 2016			
	Formulation /activation of farmers organizations	by September 2017			
	Implementation	October 2017~April 2022			

Items		Original	Actual
Fishery promotion activities			
	MOU with DOF	by December 2014	
	Preparation of guidelines and manuals	February 2015 ~ June 2015	
	Implementation	March 2015 ~ April 2022	
Project completion date		April 2022	
Notes: Project Completion is defined as all activities completed.			

Notes: Project Completion is defined as all facilities placed in service.

Appendix 12: Detailed Implementation Schedule (for BWDB portion)

Appendix 13: Detailed Implementation Schedule (for LGED portion)

ANNEX III: Time-bound Action Plan (To be attached to the Quarterly Progress Reports (QPRs))

2-2-2	Reasons for any changes of the schedule, and their effects on the Project	[To be filled and reported by the Executing Agency during implementation and at completion of the Project]
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2-3 Project Cost  
2-3-1 Cost Breakdown for the Project

Table 2-3-1a: Comparison of Original and Actual Cost By Item of the Project (ORIGINAL) (Notes)

Breakdown of Cost		Foreign Currency Portion (million JPY)		Local Currency Portion (million JPY)		Total (million JPY)	
Component 1 (Flood Management Infrastructure)	Total	JICA Portion	Others	Total	JICA Portion	Others	Total
1-1 Flood management infrastructure development	0	0	0	5,018	4,771	247	5,028
1-2 Capacity development	0	0	0	10	10	0	20
Component 2 (Rural Infrastructure)	0	0	0	6,437	4,867	1,570	8,437
2-1 Rural infrastructure development	0	0	0	6,363	4,793	1,570	8,323
2-2 Institutional Strengthening	0	0	0	61	61	0	122
2-3 Capacity Development	0	0	0	13	13	0	26
Component 3 (Agriculture and Fishery Promotion)	0	0	0	1,016	1,016	0	2,032
Component 3-1 Agriculture	0	0	0	271	271	0	542
Component 3-2 Fishery	0	0	0	745	745	0	1,490
Price Escalation	0	0	0	2,443	2,219	323	2,965
Physical Contingency	0	0	0	751	644	107	1,502
Consulting Services	344	344	0	1,399	1,399	0	2,798
Component 1 & 3-1	256	256	0	756	756	0	1,512
Component 2 & 3-2	88	88	0	642	642	0	1,284
Interest during construction	8	8	8	0	0	8	16
Land Acquisition	0	0	0	4,428	4,428	0	8,856
Administration Cost	0	0	0	1,561	1,561	0	3,122
VAT and Duties	0	0	0	2,627	2,627	0	5,254
Total	352	344	8	25,789	14,926	10,862	36,788

Notes:

1. Exchange Rate: US\$1= Tk77.8 = ¥99.7

2. Price Escalation: 1.3% per annum (Foreign Currency Portion), 3.4% per annum (Local Currency Portion)
3. Physical Contingency: 5%
4. Base Year for Cost Estimation: October 2013
5. Non Eligible Portion was calculated as follows according to JICA provision:
  - Administration Cost = 5% of the Eligible Portion for BWDB and 10% for LGED
  - VAT = 15% of the expenditure in local currency of eligible portion
  - Import Tax = 30% of the expenditure in foreign currency of eligible portion
  - Actual Non Eligible Portion will be adjusted according to GOB provision
6. The total amount may not be the same as the sum, due to the round off.
7. The cost has been changed from the figures in the Final Report of the preparatory survey because of the changes in the administration cost and VAT of LGED portion.

[BWDB]

Breakdown of Cost	Foreign Currency Portion (million JPY)			Local Currency Portion (million JPY)			Total (million JPY)		
	Total	JICA Portion	Others	Total	JICA Portion	Others	Total	JICA Portion	Others
Component 1 (Flood Management Infrastructure)	0	0	0	5,028	4,781	247	5,028	4,781	247
Component 3-1 (Agriculture Promotion)	0	0	0	271	271	0	271	271	0
Price Escalation	0	0	0	1,314	1,252	61	1,314	1,252	61
Physical Contingency	0	0	0	331	315	15	331	315	15
Consulting Services	256	256	0	756	756	0	1,013	1,013	0
Land Acquisition	0	0	0	3,889	3,889	0	3,889	3,889	0
Administration Cost	0	0	0	592	592	0	592	592	0
VAT & Duties	0	0	0	1,193	1,193	0	1,193	1,193	0
Interest during construction	4	0	4	0	0	0	4	0	4
Total	260	256	4	13,374	13,374	5,997	13,634	13,634	7,632
									6,002

[LGED]

Breakdown of Cost	Foreign Currency Portion (million JPY)			Local Currency Portion (million JPY)			Total (million JPY)		
	Total	JICA Portion	Others	Total	JICA Portion	Others	Total	JICA Portion	Others
Component 2 (Rural Infrastructure)	0	0	0	6,436	4,867	1,569	6,436	4,867	1,569
Component 3-2 (Fishery promotion)	0	0	0	745	745	0	745	745	0
Price Escalation	0	0	0	1,229	967	262	1,229	967	262
Physical Contingency	0	0	0	420	329	92	420	329	92
Consulting Services	88	88	0	642	642	0	731	731	0
Land Acquisition	0	0	0	539	539	0	539	539	0
Administration Cost	0	0	0	969	969	0	969	969	0
VAT and Duties	0	0	0	1,434	1,434	0	1,434	1,434	0
Interest during construction	4	0	4	0	0	0	4	0	4
Total	92	88	4	12,415	7,550	4,865	12,507	7,638	4,869

Table 2-3-1b: Comparison of Original and Actual Cost By Item of the Project (ACTUAL)

Unit: (JPY million)

Breakdown of cost	Actual									
	Foreign Currency Portion			Local Currency Portion			Total			
Component 1 (Flood Management Infrastructure)	Total	JICA Portion	Others	Total	JICA Portion	Others	Total	JICA Portion	Others	Total
1-1 Flood management infrastructure development										
1-2 Capacity development										
Component 2 (Rural Infrastructure)										
2-1 Rural infrastructure development										
2-2 Institutional strengthening										
2-3 Capacity development										
Component 3 (Agriculture and Fishery Promotion)										
Component 3-1 Agriculture										
Component 3-2 Fishery										
Price Escalation										
Physical Contingency										
Consulting Services										
Component 1 & 3-1										
Component 2 & 3-2										
Interest during construction										
Land Acquisition										
Administration Cost										
VAT and Duties										
Total										

Notes:

1. Exchange Rate:

2. The total amount may not be the same as the sum, due to the round off.



Table 2-3-1c: Comparison of Original and Actual Cost By YEAR(\*)

Unit: (JPY million)

Breakdown Of Cost	JICA Portion	Others	Original		JICA Portion	Others	Total
			(JPY mil)	(JPY mil)			
Calendar Year*	(JPY mil)	(JPY mil)	(JPY mil)	(JPY mil)	(JPY mil)	(JPY mil)	(JPY mil)
2014	0	284	284	839	3,367	3,648	5,291
2015	466	373	839	3,367	3,648	5,291	5,392
2016	1,682	1,685	3,367	3,648	5,291	5,392	5,392
2017	1,852	1,796	3,648	5,291	5,392	5,392	5,392
2018	3,124	2,167	5,291	5,392	5,392	5,392	5,392
2019	3,225	2,166	5,392	5,392	5,392	5,392	5,392
2020	2,335	1,653	3,988	5,392	5,392	5,392	5,392
2021	1,887	527	2,414	5,392	5,392	5,392	5,392
2022	694	202	896	5,392	5,392	5,392	5,392
2023	5	17	22	5,392	5,392	5,392	5,392
Total	15,270	10,871	26,141	26,141	26,141	26,141	26,141

Notes

\* Calendar Year starting in January and ending in December

\*\*Total cost of the entire project

Appendix 14: Cost Breakdown (for BWDB portion)  
Appendix 15: Cost Breakdown (for LGED portion)  
Appendix 16: Annual Fund Requirement  
Appendix 17-1: Annual Fund Requirement (for BWDB portion)  
Appendix 17-2: Annual Fund Requirement (for LGED portion)

2-3-2 Reason(s) for the wide gap between the original and actual, if there have been any, the remedies you have taken, and their results.

[To be filled and reported by the Executing Agency during implementation and at completion of the Project]

## 2-4 Organizations for Implementation

### 2-4-1 Executing Agency:

- Organization's role, financial position, capacity, cost recovery etc,
- Organization Chart including the unit in charge of the implementation and number of employees.

### 1. Executing Agency:

(1) Bangladesh Water Development Board (BWDB)  
Executing Agency of Component 1 (Flood management) and Component 3-1 (agriculture support activities) is BWDB. BWDB is responsible for plan, implementation, and monitoring of water resource management projects, mainly flood management, irrigation, drainage projects. BWDB has 6,061 staff members (as of June 2013) in headquarters and field level offices.

(a) Project Management Office (PMO)

PMO will be established under the Additional Director General (Eastern Region) in the headquarters. PMO is responsible for overall management of Component 1 and 3-1. The PMO will perform the following roles and responsibilities for the implementation of the Projects:

- Planning overall implementation for the project components 1 and 3 (agriculture),
- Procuring and managing the consultants,
- Conducting detailed designs with the Design Circle,
- Verifying tender documents for construction,
- Monitoring land acquisition,
- Supervising overall implementation of the project components 1 and 3-1 and monitoring the progress,
- Coordinating the project components 1 and 3-1,
- Providing guidance to PIUs,
- Certifying the consultants' and contractors' bills,
- Ensuring compliance with environmental and social considerations,
- Reporting to the relevant organizations,
- Preparing MOUs with DAB and supervising the activities, and
- Holding progress review meeting headed by PD with the attendance of BEs, Deputy Chief Agriculture and DAE to discuss progress of the project components 1 and 3-1 and issues to be addressed.

PMO is consisted of the following members. All the members of PMO are full-time staff exclusively in charge of the Project. All the members of PMO will be assigned from existing BWDB officials under revenue budget. No new recruitment from outside will be needed.

Name of Post	Quantity
Project Director (CE/ACE)	1
Superintending Engineer	1
Executive Engineer	4
Deputy Chief Extension Officer	1
Sub Divisional Engineer	2
Deputy Director/Accounts officer	1
Assistant Engineer	2
Sub-Assistant Engineer	2
Research officer Agriculture	1
Research officer Environment and Forest	1
Upper Division assistant	1
Senior Accountants Assistant	2
Total	19

\*Excluding supporting staff, such as secretaries, drivers and guards.

(b) Project Implementation Unit (PIU) for Component 1

PIU will be established in the Division Offices of BWDB. PIUs will perform the following roles and responsibilities for the implementation of the Projects:

- Preparing implementation plans for the concerned sub-projects of the project component 1 and 3-1,
- Carrying out surveys and investigations,
- Preparing tender documents for the construction and managing tender process (evaluation of the tenders will be carried out by the tender evaluation committees formed for the respective

- contracts.),
- Carrying out land acquisition
  - Guiding the sub-division and section offices,
  - Supervising and checking the construction of the concerned sub-projects conforming to the specified checking procedures,
  - Managing the activities of DAF,
  - Checking the contractors' bills, and
  - Preparing monthly progress reports.
- PIUs will be headed by BEs of the Division Offices. The staff of PIU is as shown in the following table.

Name of Post	Quantity/PIU
Executive Engineer	1
Assistant Engineer	1
Assistant Extension Officers	2
Sub divisional Engineer*	1 per sub division
Sub assistant engineer*	1 per section
Estimator	1
Upper Division Assistant	1 (0 for Brahmanbaria)
Assistant Accountant	1 (0 for Brahmanbaria)
Senior Accounts Assistant	1 (0 for Brahmanbaria)
Accounts Clerk	1
Revenue Surveyor	1
Total	12 + α (depending on no. of subdivision and section offices under each division office)

\*Sub divisional engineers are stationed in subdivision offices and sub-assistant engineers are stationed in section offices but their assignment place can be adjusted flexibly depending on the work load within the division.

\*Excluding supporting staff, such as secretaries, drivers and guards.

PIU will be composed of the existing posts of each division office (there are some deviations from the table above in each district). Since vacancy rate is very high in all 5 division offices, vacant posts among the approved positions shown above should be full filled by the time of PIU establishment (i.e. within 3 months after DPP approval) by appointing existing BWDB staff members. In addition to the existing offices, one new subdivision office (with 3 section offices) will be established under Krishoreganj division office considering the workloads of the division and the new office will start to function before the commencement of the physical construction work. In addition to the existing posts, assistant extension officers (2 per district) who will be in charge of agriculture promotion activities and facilitation of formulation of Water Management Organizations (WMOs) should be assigned together with the several extension overseers at section offices. No new recruitment from outside is needed. Among PIU members, at least, 1 sub divisional engineer, 2 assistant extension officers, 1 sub assistant engineer will be assigned to work full time for the Project.

(Detailed project implementation arrangements for BWDB is shown in Appendix 19.)

(2) Local Government Engineering Department (LGED) Executing Agency of Component 2 (rural infrastructure) and Component 3-2 (fishery support activities) is LGED. LGED is responsible for plan, implementation and monitoring of rural infrastructure, such as rural roads and small scale water resources management. LGED is also responsible for capacity development of local governments. There are 10,838 staff members (as of April 2012) and about 98% of them are stationed outside of the headquarters.

The project implementation structure is as follow and the details of the staff arrangement are shown in the Appendix 20.

(a) Project Management Office (PMO)

PMO will be established under the Chief Engineer in the LGED headquarters. The PMO will be responsible for overall management of the project components 2 and 3-2 to achieve the outputs efficiently. PMO will perform the following roles and responsibilities for the implementation of the Projects:

- a) Planning overall implementation,
- b) Procuring and managing the consultants,
- c) Conducting detailed designs,
- d) Monitoring land acquisition,
- e) Supervising activities and monitoring progress,
- f) Coordinating the project components 2 and 3-2 and with other components
- g) Providing guidance to the PTUs at District Offices,
- h) Certifying the consultants' and contractors' bills,
- i) Ensuring compliance with environmental and social considerations,
- j) Reporting to the relevant organizations, and
- k) Preparation and signing of MOU with DOF

PMO will be headed by PD supported by 2 DPDs for the respective project component 2 and 3-2. The PMO is expected to consist of the staff as summarized in the following table:

Name of Post	Quantity
Project Director	1
Deputy Project Director (Infrastructure)	2
Deputy Project Director (Community-based fishery management)	2
Senior Assistant Engineer	2
Community Resource Management Specialist	1
Accounts Officer	1
M&E Specialist	1
Sub-Assistant Engineer	3
Environment Engineer/ Expert	1
Administrative/Human resources manager	1
Finance Expert	2
Total	17

\*Excluding supporting staff, such as secretaries, drivers and guards.

All members of PMO are full-time staff exclusively in charge of the Project. Environment Engineer and M&E Specialist are assigned as a part of the institutional strengthening support activities (covered by yen loan) (Details are in Appendix 20).

- (b) Project Implementation Unit (PIU) for Component 2 and 3-2
- PIUs will be established in the District offices in 5 target districts and will be responsible for implementing the project components 2 and 3-2. PIUs will perform the following roles and responsibilities for the implementation of the Projects:
- a) Preparing the sub-project and scheme implementation plans,  
 b) Carrying out surveys and investigations,  
 c) Preparing tender documents, calling tenders, awarding and signing contracts (evaluation of tenders will be carried out by tender evaluation committees, and approval of the evaluation will be made by the officials specified in the government rules),  
 d) Reviewing designs,  
 e) Carrying out land acquisition,  
 f) Supervising the construction of rural infrastructures and the implementation of fishery activities,  
 g) Checking the contractors' bills, and  
 h) Preparing progress reports.

The PIU will be headed by BEs of the District Offices. One PIU will be expected to consist of the staff as summarized in the following table:

Name of Post	Quantity
Executive Engineer	1
District Project Coordinator	1
Sub-Assistant Engineer (Structure)(Fisheries)	2
District Training Coordinator	1
Community Infrastructure Coordination Expert	1
Community Resource Management Coordination Expert	1
District M&E Officer	1
Accountant	1
Total	9

\*Excluding supporting staff, such as secretaries, drivers and guards.

Among PIU members, all the staff members except Executive Engineer will be assigned to work full time for the Project. Community Infrastructure Coordination Expert and Community Resource Management Coordination Expert are assigned as a part of the institutional strengthening support activities (covered by yen loan) (Details are in Appendix 20).

- (c) Project Upazila offices
- Project Upazila offices will be responsible for daily monitoring and supervising of works for Component 2 and implement schemes for Component 3-2. The Offices will perform the following roles and responsibilities for the implementation of the Projects:
- a) Calculating work quantities based on detailed design and estimating costs for tender documents preparation,  
 b) Monitoring and supervising the infrastructure development sub-projects and implementing fishery schemes,  
 c) Checking the contractors' bills, and  
 d) Preparing progress reports.

The Project Upazila Offices will be headed by Upazila Engineers of the Upazila Offices. The office staff will include UE, Sub-assistant engineer, fishery specialist, LCS organizer, social organizer and supporting staff. All the members except Upazila Engineer will be assigned to work full time for the Project.

## 2. Other Relevant Organizations

(1) Project Steering Committee  
The Project Steering Committee will be established for the Project to oversee the overall project progress and effective coordination among various stakeholders. The committee will be headed by the Secretary of Ministry of Water Resources. Members include LGD of MLGRD&C (Additional Secretary), BWDB (DG), LGED (CE), BHWDB (DG), DAE, DOF, ERD of Ministry of Finance, Department of Environment (when necessary), Ministry of Land (when necessary) and JICA as an observer. Steering Committee will a) ensure smooth inter-ministry/ agency coordination, b) oversee project progress, c) resolve implementation problems and issues that require higher level interventions.

Steering committee will be held every six months and whenever necessity arises. The first meeting will be held within three month after the loan effectuation.

(2) Progress Review Meetings and Coordination Meetings  
Coordination meeting will be held every three months with the attendance of PD of BWDB and PD of LGED, DAE and DOF to discuss the progress of all the components and coordinate the inter-linked activities. The meeting will be chaired by either PD in rotating basis. The first meeting will be held within one month after the first steering committee meeting will be held.

Progress review meeting for Component 2 and 3-2 will be held monthly headed by PD of LGED with the attendance of PMO members, EEs of District offices and DOF. The first meeting will be held within one month after the first coordination meeting will be held.

Progress review meeting for Component 1 and 3-1 will be held monthly headed by PD of BWDB with the attendance of PMO members, EEs and Assistant extension officers of Division Offices (attendance will be quarterly), and DAE. The first meeting will be held within one month after the first coordination meeting will be held.

(3) Department of Agricultural Extension  
BWDB will sign the MOU with DAE to obtain cooperation from DAE for the implementation of Component 3-1. District Agriculture Office and Upazila Agriculture Office of DAE will mainly provide necessary technical assistance through assigning resource persons and providing technical advice.

(4) BRRI (Bangladesh Rice Research Institute) and BARI (Bangladesh Agricultural Research Institute)  
Technology development programs (field trials of rice and non-rice varieties) will be implemented in cooperation with BRRI and BARI. BWDB will sign the LOA (Letter of Agreement) to obtain cooperation from BRRI and BARI.

(5) Department of Fishery  
LGED will sign the MOU with DOF to obtain cooperation from DOF for the implementation of Component 3-2. District office and Upazila office of DOF will mainly provide necessary technical assistance through assigning resource persons and providing technical advice.

Appendix 18: Project implementation arrangements  
Appendix 19: Detailed project implementation arrangements for BWDB  
Appendix 20: Detailed project implementation arrangements for LGED

Actual, if changed:

[To be filled and reported by the Executing Agency during implementation and at completion of the Project]

2-4-2 Contractor(s)/ Supplier(s), and Consultant(s) and Their Performance:

2-4-2-1 Procurement and Consultant

Table 2-4-2: Procurement of Contractor(s)/Supplier(s) and Consultant(s)

Contract Package	Selection Method	Original: (P/M)	Actual: (P/R and PCR)
Component 1			
Component 1-1: Flood management infrastructure development		LCB: The value of contract package shall range from BDT 50 to 240 million. Each new construction subproject will basically make one contract package within the above mentioned range. The expected total number of contract package will be around 25.	
Component 1-2: Capacity development		Direct contracting	
Component 2			
Component 2-1: Rural infrastructure development			
Upazila roads		LCB	The value of contract package shall range from BDT 10 to 30 million. The expected total number of contract package will be around 140.
Village roads		Direct contracting (LCS)	
Rehabilitation of roads (GOB portion)		LCB/ Direct contracting (LCS)	
Markets (GOB portion)		LCB	
Ghats (GOB portion)		LCB	
Component 2-2: Institutional strengthening		LCB	
Component 2-3: Capacity Development		Direct contracting	
Component 3			
Component 3-1 Agriculture		Direct contracting	
Component 3-2 Fishery promotion		Direct contracting	
Consulting Services			
Consulting Services (for BWDB)		Short listing (based on EOI from international companies), QCBS	
Consulting Services (for LGED)		Short listing (based on EOI from international companies), QCBS	
Design and supervision and fishery promotion			

Appendix 6&8: Terms of Reference for consulting services  
Appendix 21: Procurement Monitoring Sheet (To be attached to the QPRs)

2-4-2-2 Performance

[To be filled and reported by the Executing Agency during implementation and at completion of the Project]	Information on the Contractor(s)/ Supplier(s)	Evaluation:
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Information on the Consultant(s):
Evaluation:

- 2-5 Precautions (Measures To Be Adopted/Points Which Require Special Attention)
- Risks and issues, if any, which may affect the Project implementation and planned countermeasures to be adopted, in terms of physical, environmental or social aspects.(e.g., land acquisition, resettlement, HIV awareness and prevention program, gender consideration and EIA clearance)
  - Environmental Checklist or report of monitoring indicator (if applicable)

Original Issues and Agreed Countermeasure(s)	Actual Issues and Countermeasure
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**4. Institutional Arrangement and Project Management**

<p><b>1. PMO/PTU establishment for BWDB</b></p> <p>BWDB will officially appoint the core members of PMO at its headquarters and PTU in each division offices within 3 months after the approval of DPP. Interim PMO will be responsible for necessary works before the establishment of PMO.</p> <p>Because of heavy work load undertaken by the Kishoreganj PTU, an additional sub-division office will be newly established for the Project under Kishoreganj division office. PMO will be responsible for gaining approval from the Governing Council of BWDB for the establishment of the new sub-division office and the office is scheduled to function before the commencement of the physical construction work.</p>	(P/R and PCR)
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<p><b>2. PMO/PTU establishment for LGED</b></p> <p>LGED will officially appoint the core members of PMO (who will be transferred within LGED) at its headquarters and PTU in each district offices will be established within 3 months after the approval of DPP. Interim PMO will be responsible for necessary works before the establishment of PMO. New recruitment including those covered by institutional strengthening support activities will be completed within 6 months for PMO and 9 months for PTUs respectively after the approval of DPP.</p>	
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<p><b>3. Freeze on replacement/transfer of staff members</b></p> <p>Frequent transfer or replacement of personnel in BWDB and LGED may hinder smooth implementation and causes unnecessary delays and inconsistency in the quality of works. In order to ensure smooth implementation, it is vital to maintain the core officers of BWDB and LGED. BWDB and LGED will ensure to freeze the transfer of the core staff during the implementation of the Project, except for the case with unavoidable reasons which shall be consulted and agreed by JICA: such core staff include PD, 4 EBs of PMO, 1 EB, 1 sub-divisional engineer each, 2 assistant extension officer each, 1 sub assistant engineer each for PTUs, and accountants of PMO and PTUs for BWDB and PD, 2 DPDs of PMO, 1 EB each, 1 district project coordinator each for PTUs and accountants of PMO and PTUs for LGED.</p>	
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<p><b>4. Flexibility for the candidate subprojects</b></p> <p>Since the condition of infrastructure can change by various reasons, there will be flexibility to change candidate subprojects during the project implementation, but re-selection of subprojects should be in line with the selection criteria used to finalize</p>	
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Actual Issues and Countermeasure	Original Issues and Agreed Countermeasure(s) (Agreed at the time of appraisal)
	<p>the above mentioned list. Coordination and consultation between BWDB and LGED is necessary before the selection to ensure the synergy impact of infrastructure development. BWDB and LGED will present detailed information on the procedure and results of the re-selection of subprojects to JICA when the re-selection is needed. After JICA's review and approval in writing, BWDB and LGED will proceed to detailed design process.</p> <p>Revision of allocation between BWDB components and LGED components will NOT be considered in principle. However, if the situation when the reallocation between BWDB and LGED is considered necessary (for example, the progress of either component becomes far behind the schedule), then, the issue of reallocation will be discussed at the Steering Committee and necessary procedure will be taken after JICA's review and approval in writing.</p>
	<p><b>5. Cooperation with DAE, BARI and BARI</b></p> <p>Agriculture promotion activities will be implemented with the support of DAE at the field level. BWDB will identify areas where DAE cooperation is needed. BWDB will sign the MOU with DAE to obtain cooperation from DAE for the implementation of Component 3-1 before the commencement of the development of activity plan (by October 2016) and submit the copy of the signed MOU to JICA. MOU needs to specify the activities to be undertaken in Component 3-1 with the assistance of DAE, services to be provided by DAE, implementation arrangements and necessary cost (to be provided to DAE through BWDB). BWDB will sign the LOA with BARI and BARI to obtain cooperation for field trial activities from them by October 2016.</p>
	<p><b>6. Cooperation with DOF</b></p> <p>Fishery promotion activities will be implemented with the support of DOF at the field level. LGED will identify areas where DOF cooperation is needed. LGED will sign the MOU with DOF to obtain cooperation from DOF for the implementation of Component 3-2 before the preparatory phase of the activities (by December 2014) and submit the copy of the signed MOU to JICA. MOU needs to specify the activities to be undertaken in Component 3-2 with the assistance of DOF, services to be provided by DOF, implementation arrangements and necessary cost (to be provided to DOF through LGED).</p>
	<p><b>7. Land Acquisition for BWDB component</b></p> <p>The new construction of embankment (342km of new construction of submergible embankment is planned) requires land acquisition although no resettlement is expected since all the areas to be acquired are paddy fields. BWDB should secure sufficient GOB budget necessary for land acquisition through DPP to ensure the smooth implementation of the Project.</p>
	<p><b>8. Development of Technical Guidelines and Operation Manuals for Agriculture and Fishery activities</b></p> <p>BWDB and LGED will review and update the overall plans for agriculture and fishery promotion activities prepared by the Preparatory survey with the support of consultants. Technical guidelines and operation manuals for each activity will also be</p>

Actual Issues and Countermeasure	Original Issues and Agreed Countermeasure(s) (Agreed at the time of appraisal)
	<p>prepared by BWDB and LGED with the support of consultants during the detailed design stage (by October 2016 for agriculture and by June 2015 for fishery). Deputy Chief Agriculture of PMO of BWDB will be in charge of agriculture and Deputy PD of PMO of LGED will be in charge of fishery activities.</p>
	<p><b>9. Formulation of Water Management Organization</b></p> <p>Although operation and maintenance of flood management infrastructure is the responsibility of BWDB, to supplement BWDB responsibility, Water Management Organizations (WMO) consisting of stakeholders have been established in a number of projects of BWDB in accordance with the Guidelines for Participatory Water Management (2000). WMO is formed by local beneficiaries though its name is different depending on the project sizes, implementing agencies and so on. WMOs are registered under Department of Cooperatives.</p> <p>In this Project as well, WMO will be formed. In other projects, more active involvement and contribution of WMO including financial contribution in O&amp;M is expected, but in this Project, considering the types of infrastructure (only flood control, not including irrigation) and expected larger demand for maintenance in the case of submergible embankments, WMO will be responsible only for operation works of flood management infrastructure (gate operation) under the technical guidance of BWDB sub-division and section offices and periodic preventive maintenance in cooperation with sub-division offices.</p> <p>There will be two tiers of WMO, namely WMO at the lowest level and WMA at the apex level. WMO will be formed for each smallest hydrological unit or social unit (para/ village) of the sub-projects. WMA will be formed when the number of WMO in a sub-project is more than one. The numbers of WMO and WMA to be formed for 29 sub-projects are estimated to be 100 WMOs and 22 WMAs.</p> <p>WMOs shall be formed before a tendering process at the construction stage of each sub-project. The formation of WMOs is one of preconditions to proceed to the tendering process. OM plans and manuals prepared during the detailed design stage will be reviewed with the participation of WMO.</p> <p>BWDB will ensure timely formulation of WMO and provide necessary guidance to WMO activities at the field level. Assistant Extension officers (AEO) at the division level and Extension overseers (EO) under them will facilitate and provide necessary guidance for WMO formulation. Consultant will also assist formulation of WMO, revision of O&amp;M plans and manuals involving WMO, and support trial operation in each sub-project for one year after its completion.</p> <p>A monitoring form for WMO's activities shall be prepared at the detailed design stage when O&amp;M plan for each sub-project is prepared. WMO will report their O&amp;M activities, issues they face, solution to the issues, situation of structures, etc. every month to EOs. The brief report should be forwarded to AEOs and EOs through EOs every month. Then summary of monitoring should be reported to zonal CBS quarterly.</p>

Actual Issues and Countermeasures	Original Issues and Agreed Countermeasures(s) (Agreed at the time of appraisal)
	<p><b>10. Formulation of Beel User Group</b></p> <p>As a part of fishery support activities, Beel User Groups (BUGs) that will play an important role in the community resource management will be formed. BUGs are formed and managing the established beel fishery systems in the on-going projects of LGED in the haor areas. BUGs shall be formulated when the selection of beels to be developed is finished with the facilitation of LGED districts and upazila offices and consultants. LGED will assist and facilitate the BUGs to get the leases through an agreement between BUGs &amp; Deputy Commissioner Office. Necessary trainings will be provided to BUGs within the Project to ensure the appropriate management of developed beels.</p>
	<p><b>11. Formulation of Market Management Committee (MMC) for growth centers and rural markets</b></p> <p>To ensure that proper operation and maintenance of growth centers and rural markets, for all selected market subprojects, a pre-qualification criterion for the implementation of the improvement works to start should be that there is a functioning Market Management Committee (MMC) in place. MMC should be formulated in accordance with guidelines issued by the Local Government Division in the case of new construction and MMC should be activated in the case of rehabilitation.</p>
	<p><b>12. Access road to markets and ghats</b></p> <p>It is essential to have access road to markets and ghats to ensure that these upgraded facilities will be fully utilized. If it is found necessary to rehabilitate the access roads to these facilities during the detailed design phase, these access roads should be incorporated in the Component 2 replacing other planned roads upon approval of JICA.</p>
	<p><b>B. Procurement Process and Measures</b></p> <p><b>13. Procedures for Consultant Selection</b></p> <p>(a) BWDB and LGED will select the consultants in accordance with the latest "Guidelines for the Employment of Consultant under Japanese ODA Loans".</p> <p>(b) BWDB and LGED will prepare the Request for Proposal (RFP) document in accordance with the latest "Standard Request for Proposals under Japanese ODA Loan" at the time of finalization of the document.</p> <p>(c) Quality- and Cost-Based Selection (QCBS) method is basically applied to the selection of consultants under the Project. As to the evaluation of proposal in QCBS method, the total score shall be obtained by weighting and adding the technical and financial scores in accordance with the latest "Guidelines for the Employment of Consultants under Japanese ODA Loans". BWDB and LGED will adopt the weight of 20% for the "cost" in the Project. The agreed M/M should be provided as "Minimum M/M" in RFP.</p>
	<p><b>14. Procurement under the Local Competitive Bidding (LCB)</b></p> <p>With reference to the JICA's letter dated December 2, 2009 (JFY2009, 4R-0008) to Economic Relations Division of the Ministry of Finance, the following amendments to the Public Procurement Act 2006 made by GOB shall not be acceptable to any procurement under the LCB of the Project, as it is necessary for Japanese ODA Loan projects to ensure economy, efficiency, and transparency.</p>

Actual Issues and Countermeasure	Original Issues and Agreed Countermeasure(s) (Agreed at the time of appraisal)
	<p>(a) Use of lottery for contracts</p> <p>(b) No qualification / experience requirements</p> <p>(c) Rejection of bids above or below 5 percent of the contract estimate</p>
	<i>C. Accountability and Integrity Measures</i>
	<p><b>15. Accountability and Integrity Measures</b></p> <p>(a) Participation in the Tender Evaluation Committee (TEC) JICA staff, or its representative including the consultant employed by JICA's assistance if nominated by JICA, can participate in all the meetings of the Tender Evaluation Committee (TEC) as an observer to ensure transparency in the procurement process of the Project. BWDB and LGED will issue invitation to JICA.</p> <p>(b) Fraud and Corruption Hotline BWDB and LGED will include the following contact information on the fraud and corruption hotline in the bidding documents including the RFP documents for selection of consultants and PQ documents.</p> <p>For JICA In Japanese: <a href="https://www2.jica.go.jp/ja/odaInfo/index.php">https://www2.jica.go.jp/ja/odaInfo/index.php</a> In English: <a href="https://www2.jica.go.jp/en/opinion/index.php">https://www2.jica.go.jp/en/opinion/index.php</a></p> <p>For GOB Central Procurement Technical Unit, Implementation Monitoring and Evaluation Division (IMED), Ministry of Planning Block-12 (2nd Floor), Sher-e-Bangla Nagar, Dhaka 1207 Phone: 880-2-9144252, 53 Fax: 880-2-9144250 E-mail: <a href="mailto:info@cptu.gov.bd">info@cptu.gov.bd</a></p> <p>(c) Internal Audit BWDB and LGED will employ a chartered accountant firm for internal audit of the Project in accordance with the draft TOR as shown in Appendix 23, apart from the external audit conducted by the Auditor General. The cost of its employment should be borne by BWDB and LGED will submit the annual internal audit report to JICA within 6 months after the end of each fiscal year.</p> <p>(d) Independent Procurement Audit An ex-post procurement audit may be carried out during/after the implementation stage by independent auditors, who will be designated by JICA, in order to ensure the fairness and competitiveness of procurement process, in case JICA considers it necessary. The cost of employment of the auditors will be borne by JICA. GOB including BWDB and LGED will take necessary measures to enable and facilitate the audit.</p> <p>(e) Special training course on procurement BWDB and LGED will organize three-day special training course on procurement procedure and financial management for each staff involved in procurement for the</p>

Actual Issues and Countermeasure	Original Issues and Agreed Countermeasure(s) (Agreed at the time of appraisal)
	<p>Project in cooperation with the training unit of each agency.</p> <p>(f) Bid Opening Committee</p> <p>Now the Bid Opening Committee (BOC) is functioning in each District and Upazila to open bids in public. For improved transparency, the BOC under the Project will be restructured with the participation of representatives from BWDB or LGED and consultants.</p> <p>(g) Complaint mechanism</p> <p>In the Chief Engineer's Office, PMO, LGED District Offices, the LGED newly introduced a complaint box by the end of July, 2013. BWDB will newly introduce a complaint box in Director General's Office, PMO, BWDB Divisional Offices by the end of May 2014.</p> <p>(h) Disclosure of the procurement</p> <p>BWDB and LGED will publish the procurement plan in its respective website and update twice a year. Within two weeks of contract awarding, BWDB and LGED will also post the information about contract.</p> <p>(i) Monitoring and inspection of irregularities</p> <p>BWDB has established quality control committee at district level and LGED has formed 19 regional inspection teams which covers all 64 districts in the country. If a possible corrupt or unethical practice is detected by the committee or inspection team, BWDB and LGED will take a disciplinary action against those concerned, in accordance with the service rules of the GOB and a summary of the disciplinary action taken by the authority will be published in the annual report.</p>
	<b>D. Others</b>
	<p><b>16. Safety of the Project</b></p> <p>(a) BWDB and LGED will take necessary safety measures for the Project in order to prevent possible accident in accordance with the related Bangladesh regulation and international practices. During implementation, Executive Engineer of PMO in BWDB and superintending engineer at the maintenance unit in LGED who are in charge of Safety &amp; Quality Assessment will be responsible for safety of construction.</p> <p>(b) BWDB and LGED will notify JICA immediately (within 24 hours at the latest) in case that any fatal, major or other accident, which may involve serious injuries, occurs during the implementation of the Project.</p> <p>(c) The following tasks shall be included in <u>Scope of assignments of the Terms of Reference (TOR) for the consultancy services</u>:</p> <p>i) When preparing or reviewing bidding documents for procurement of works and those for procurement of supply and installation of plant, the consultants shall make sure to meet above.</p> <p>ii) The consultants shall review the safety plans submitted by the bidders from the point of view of securing the safety during the construction. (Refer to Paragraph (2), Section 4.02 Scope of the Project and of the Consulting Services of the Guidelines for the Employment of Consultants under Japanese ODA Loans, April 2012).</p>

Original Issues and Agreed Countermeasure(s)	Actual Issues and Countermeasure
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<p>!!!!) The consultants shall review the Programme submitted by the contractors from the point of view of securing the safety during the construction and require them to submit further details, if necessary.</p> <p>iv) During the supervision of the construction work, the consultants shall confirm that accident prevention officers employed by the contractor is duly assigned at the project site and that the construction work is carried out according to the safety plan as well as the safety measures prescribed in the Programme. If the consultants recognize any questions regarding the safety measures in general including the ones mentioned above, the consultants shall require the contractors to make appropriate improvements.</p>	
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<p>17. Counterpart Fund</p> <p>(a) For smooth implementation of the Project and sustainable operation of the facilities constructed under the Project, GOB including BWDB and LGED will take all necessary measures to secure the counterpart funds for non-eligible cost such as (i) the administration costs of GOB including BWDB and LGED, (ii) taxes and duties incurred (e.g. income tax and VAT on the contracts of consulting services and construction works, custom duties), (iii) purchase of land and other real property, (iv) compensation, and (v) other indirect items, and to secure the sufficient funds for adequate operation and maintenance.</p> <p>(b) When Reimbursement Procedure is applied for the disbursement, GOB including BWDB and LGED has to secure the sufficient RPA (Reimbursable Project Aid) budget in the ADP for the Project and authorize it in a timely manner (especially 1st and 3rd Quarter of each fiscal year) throughout the project implementation.</p> <p>(c) GOB including BWDB and LGED will mobilize additional financial resources in case the actual project cost exceeds the original cost estimate and JICA's contribution reaches the loan amount.</p>	
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<p>18. Statement of expenditure method</p> <p>JICA's disbursement may be made based on SOE describing summary of the expenditures of activities within the scope of the Project, without detailed evidences of expenditure. For application of SOE method, BWDB and LGED (PD of the Project) shall submit to JICA an audit report on the Project every December, and failure of submission may result in suspension of JICA's disbursement. When additional expenses arise due to the conducting of an audit, BWDB and LGED will bear expenses from non-eligible portion.</p>	
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Appendix(s)  
Appendix 22: Formulation of Water Management Organization  
Appendix 23: Terms of reference of internal audit

## 2-6 Photographs of Output of the Project (P/R and PCR): Appendix

3: Benefit Derived from the Project (Effectiveness)
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3-1 Operational and physical condition of each facility developed/supplied by the Project.

Facilities	Description of condition	Problems, its Background and Remedial Action Plan
(P/R and PCR)	(P/R and PCR)	(P/R and PCR)

3-2 Precautions (Measures To Be Adopted/Points Which Require Special Attention)

- Risks and issues, if any, which may affect the Project outcome and planned countermeasures to be adopted, in terms of physical, environmental or social aspects.
- Environmental Checklist or report of monitoring indicator (if applicable)

Original Issues and Agreed Countermeasure(s) (Agreed at the time of appraisal)	Actual Issues and Countermeasure(s)
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**(1) Institutional Strengthening for Sustainable O&M**  
*(P/R and PCR)*

**Component 1**  
BWDB will take necessary measures for sustainable O&M as follows;

- (a) BWDB will fulfill the vacant posts in division, subdivision and section office in 5 districts to secure necessary manpower for O&M in accordance with the schedule shown in section 4-1. One subdivision office will be newly established in Kishoreganj. In addition, two AEOs for each division office and several EOs for each sub-division office will be assigned at the implementation stage and be engaged in O&M works after the completion of sub-projects.

- (b) BWDB HQs (O&M Directorate) will formulate overall O&M guidelines to be applicable for preparation of specific O&M plan and manual for each sub-project in the haor areas by September 2015.

- (c) O&M Plan and O&M Manual for each subproject will be developed by BWDB division and subdivision offices in cooperation with the Office of Chief Water Management of BWDB and DAE with the support of consultants during the detailed design stage based on the above O&M guidelines. O&M plans and manuals prepared will be reviewed with the participation of WMOs once the WMOs are formed.

- (d) Overall O&M manual will be prepared within the on-going technical cooperation of JICA by June 2014 although specific issues for submergible embankments will not be included. O&M guidelines and plans and manuals for each subproject to be developed will be in accordance with this O&M manual. BWDB with the assistance of consultants will update the O&M manual to incorporate specific issues for the O&M of flood management infrastructure in the haor areas based on the experience of the Project by the time of the completion of the Project.
- (e) Necessary trainings will be provided to BWDB officials in division, subdivision and section offices and members of WMOs.

**Component 2**  
LGFD develops the Maintenance Action Plan prepared by LGFD under the Northern Bangladesh Integrated Development Project (NOBIDEP) and it is applicable to the Project as well although there are some particular issues for the haor areas. LGFD will ensure that the Action Plan will be applied to target areas of the Project beyond 14 districts of NOBIDEP. In reviewing the

Actual Issues and Countermeasures(s)	Original Issues and Agreed Countermeasures(s) (Agreed at the time of appraisal)
	Guidelines, necessary O&M for submergible roads will also be considered.
	<p><b>(2) Financial Sustainability (Adequate Revenue Generation)</b></p> <p><b>Component 1</b> BWDB and the Ministry of Water Resources are committed to allocate sufficient O&amp;M budget for the Project every year (estimated as 67 million taka per year) and O&amp;M budget for the project will be allocated based on priority in accordance with 'Policy on O&amp;M of Permanent Structures of BWDB'(October, 2010).</p> <p><b>Component 2</b> LGED is committed to secure necessary budget for O&amp;M as stipulated in the approved Rural Road Maintenance Policy which require that "the annual GOB revenue budget allocation for rural road maintenance should increase by at least 20% per annum until the gap between need and available financing comes down to 25%".</p>

**3-3 Environmental and Social Impacts**

- Major environmental and social impacts have occurred during Project implementation (e.g. involuntary resettlement, forest logging).

Actual Issues and Countermeasures(s)	(Agreed at the time of appraisal)
(P/R and PCR)	<p><b>1. Environmental Checklist</b> The Project is classified category B in accordance with JICA Guidelines for Environmental and Social Considerations (April 2010). The environmental and social considerations including major impacts and mitigation measures for the Project are summarized in the Environmental Checklist (Appendix 24). There is no significant negative environmental and social impact caused by the Project both during the construction and operation phases. If any changes happen, BWDB and LGED will inform JICA immediately. Although it is possible to change the subprojects during project implementation, the subprojects which will be categorized as Category A under the JICA Guidelines will not be included in the Project.</p>
	<p><b>2. Environmental Monitoring</b> BWDB and LGED will conduct monitoring for environmental and social considerations in accordance with the Monitoring Plan for the Project. BWDB and LGED will prepare and submit Environmental and Social Monitoring Report for the Project to JICA without delay soon after the commencement of construction as part of Quarterly Progress Report.</p>
	<p><b>3. Environmental Clearance</b> Flood management subprojects will be categorized as 'Category Red' according to GOB's Environmental Conservation Rules (1997). These subprojects need to prepare both IEB and EIA and obtain Environmental Clearance. Overall IEB report and draft EIA reports for representative subprojects is prepared by the Preparatory survey. Based on these results,</p>



Actual Issues and Countermeasure(s)	Original Issues and Agreed Countermeasure(s) (Agreed at the time of appraisal)
	BWDB and LGED will be responsible for preparing necessary documents and obtaining necessary clearance for all the subprojects before the commencement of civil works.
	<p><b>4. Land Acquisition and Involuntary resettlement</b></p> <p>For the new construction of embankments and up-gradation of rural roads, markets and ghats, necessary land areas need to be acquired although not many involuntary resettlement is expected. The census based on the Feasibility Study identified total 240 people will be physically displaced and 459 ha of land will be acquired by the project (As shown in the Appendix 2 and 3: List of subprojects). A resettlement framework (October, 2013) have been prepared based on JICA's Environmental Guidelines to address all losses. The complete details of compensation rates for the loss of assets, shifting and transitional assistance, and other income-restoration assistance are in the entitlement matrixes (Appendix 26) of the resettlement framework.</p>
	<p><b>5. Institutional arrangement for environmental and social considerations</b></p> <p>The PMO of BWDB and LGED will hire consultants for environmental and social considerations (Safe Guard Expert, Environment and Social Specialist, Land acquisition and resettlement specialist). Environment experts will be assigned in each PMO. BWDB and LGED, together with consultants for environmental and social considerations, will conduct monitoring in accordance with the Environmental and Social Monitoring Form.</p>

Notes:

Appendix 24: Environmental Checklist

Appendix 25: Subproject Implementation and Environmental and Social Monitoring Form (To be attached

to the QPRs)

Appendix 26: Entitlement Matrixes

### 3-4 Qualitative and Quantitative Data of Monitoring Indicators

**EIRR:**

Assumptions

Project life: 30 years for Component 1 and 20 years for Component 2

Costs: Capital investment cost, O&M cost

Benefit: Damage Reduction of Boro Crop induced by Flood Protection

Reduction of Vehicle Operating Costs (VOCs) induced by Road Pavement

Spoilage Reduction in Perishable Product caused by Rural Market Improvement

Increase in Income of Agro Fisheries by the Project Activities

EIRR=15.6%

**Appendix(s)**

Appendix 27: EIRR of the Project

3-5 Operation and Effect Indicators

Indicators	Original (Yt XX)	Present (Yt XX)	Target (Yt XX)
Annual maximum water levels			(Monitoring)
Number of WMO formulated			
Number of WMO functioning			
Traffic volume per vehicle mode			Increase
Effect Indicator			
Frequency and area of inundation inside the sub-project areas			Decrease
Travel time			Decrease
Yield of Boro Rice			Increase
Diversification of crops			Increase
Household income and asset			Increase
Sales, handling, business in markets per Upazila			Increase
Fishery catch			Increase
Number of fish species in beels (Biodiversity)			Increase

Notes: For each component, subprojects will be selected as representative samples and the consultants will conduct baseline surveys to set the baseline figures and target figures after the commencement of the project during the detailed design phase.

3-6 Monitoring Plan for the Indicators

- Monitoring methods, section(s)/department(s) in charge of monitoring, frequency, the term and so forth.

Original (P/M)	Actual (P/R and PCR)
<p>BWDB and LGED will submit the following monitoring reports to JICA.</p> <p>1) The Quarterly Progress Reports (QPRs) will be compiled and submitted to JICA until project completion, which include Project Status Report, Time-bound Action Plan (Annex III), Procurement Monitoring Sheet (Appendix 21), Subproject Implementation and Environmental and Social Monitoring Form (Appendix 25), and Anticorruption monitoring sheet (Appendix 28).</p> <p>2) Environmental Monitoring Form will be submitted to JICA quarterly until 2 years after completion of the Project. Resettlement and Rehabilitation Monitoring Form will also be submitted to JICA until 2 years after the last physical displacement. The period of environmental/resettlement and rehabilitation monitoring may be extended if any significant negative impacts on natural environment are found or if displaced persons' livelihoods are not sufficiently restored. JICA will disclose information, when the third parties request, subject to approval of BWDB and LGED.</p> <p>3) The Project Completion Report (PCR) will be compiled and submitted to JICA not later than 6 months after (a) all project activities have been completed.</p> <p>JICA will conduct;</p> <p>1) the ex-ante evaluation soon after the signing of the L/A and</p> <p>2) the ex-post evaluation in 2 years after the completion to assess the Project's effectiveness, impact, and sustainability. BWDB and LGED shall submit necessary evaluation results including Operation and Effect Indicators, EIRR and FIRR along with data used for calculation at the timing of ex-post evaluation.</p>	

Appendix(s)

Appendix 21: Procurement monitoring sheet (To be attached to the QPRs)

Appendix 25: Subproject Implementation and Environmental and Social Monitoring Form (To be attached





to the QPRs)  
Appendix 28: Anticorruption monitoring sheet (To be attached to the QPRs)

3-7 Achievement of the Project Objective

(PCR)

4: Operation and Maintenance (O&M) (Sustainability)

4-1 O&M and Management

- Organization chart of O&M
- Operational and maintenance system (structure and the number, qualification and skill of staff or other conditions necessary to maintain the outputs and benefits of the Project soundly, such as manuals, facilities and equipment for maintenance, and spare part stocks etc)

Original:

[Flood management]

1. Institutional Arrangement for O&M

- (a) Chief Engineer (O&M) under ADG (Eastern Region) at BWDB HQs will be responsible for overall O&M including budget allocation.
- (b) Executive Engineer of Division Offices will be responsible for overall O&M works including annual planning, budget request, tender process management, supervision of O&M works, management of operation, maintenance and inspection records, inventory management, training of site operators, preparation or updating of O&M manual for each subproject, periodic and emergency inspection and maintenance.
- (c) Subdivision Offices and section Offices will conduct regular inspection and emergency maintenance, logging of operation, maintenance and inspection, management of inventory and logistics, support Water Management Organizations (WMO) in regular operation works.
- (d) In accordance with the Guideline for Participatory Water Management (November 2000), BWDB will facilitate the formulation of WMO at the community level. Water Management Organizations will be responsible for operation works (of gates), periodic preventive maintenance in cooperation with sub-division Offices.
- (e) Necessary training for O&M will be provided to officers in charge of O&M in division and subdivision Offices and WMO by PMO and BWDB staff development unit with the support of consultants.

O&M of flood management infrastructure of BWDB faces various problems, such as (i) insufficient O&M budget allocation (only around 20% of required cost), (ii) shortage of manpower for O&M (very high vacancy rate of field offices), (iii) lack of O&M plan or manuals to be commonly applicable to O&M works, (iv) lack of sufficient information regarding existing infrastructure necessary for appropriate O&M, and (v) lack of awareness about the importance of O&M work among BWDB officers and beneficiary communities. To ensure sustainability of the flood management facilities newly constructed or rehabilitated in the Project by overcoming the above mentioned problems, BWDB will take necessary measures as mentioned below.

2. O&M Plan and Manuals and Trainings	
(a) BWDB HQs (O&M Directorate) will formulate overall O&M guidelines, which include routine inspection timeframe, structural inspection format, etc., to be applicable for preparation of specific O&M plan and manual for each sub-project in the haor areas by September 2015.	
(b) O&M Plan and O&M Manual for each subproject will be developed by BWDB division and subdivision offices in cooperation with the Office of Chief Water Management of BWDB and DAE with the support of consultants during the detailed design stage based on the above O&M guidelines and reviewed with the participation of WMOs once the WMOs are formed.	
(c) Overall O&M manual will be prepared within the on-going technical cooperation of JICA by June 2014 although specific issues for submergible embankments will not be included. O&M guidelines and plans and manuals for each subproject to be developed with this O&M manual. BWDB with the assistance of consultants will update the O&M manual to incorporate specific issues for the O&M of flood management infrastructure in the haor areas based on the experience of the Project by the time of the completion of the Project.	
(d) Trainings will be provided to BWDB officials in division, subdivision and section offices regarding the importance of executing O&M works and the preparation of O&M Plan and O&M Manual based on the above O&M guidelines.	
(e) Trainings regarding the formulation and works of WMO will be provided by BWDB division offices to beneficiary community members.	
3. O&M Budget and Personnel	
(a) O&M budget allocation for FY2012/13 was 3678.1million taka while the requested amount was 26,533.3million taka (13.85% of requested amount). The estimated amount necessary for O&M works of the Project will be around 67million taka per year.	
BWDB and the Ministry of Water Resources are committed to allocate sufficient O&M budget every year (estimated as 67 million taka per year) to meet the required amount and available O&M budget will be allocated based on priority in accordance with 'Policy on O&M of Permanent Structures of BWDB'(October, 2010). The Policy stipulates that during the preparation of annual repair work plan, highest priority will be given to repair and maintenance works for the projects in coastal areas, in haor areas and for the irrigation projects.	
(Unit: BDT/year)	
Work Item	Annual Cost
Annual Cost of Routine and Periodical Inspection and Maintenance	46,927,481
Cost for Overhaul of Regulator	1,106,700
Annual Routine Operation Cost of Regulator	2,313,982
Overhead for O&M Works	16,614,000
Total	66,962,163

(b) BWDB will fulfil the vacant posts in division, subdivision and section office in 5 districts before the project implementation and the setup will be maintained to secure necessary manpower for O&M as shown below (The below table for O&M is the same as the implementing phase). In addition to the filling up, two ABOs for each division office and several BOs for each sub-division office are necessary for the proper performance of O&M works. ABOs and BOs will be assigned at the implementation stage and be engaged in O&M works after the completion of sub-projects.

Approved and existing manpower in BWDB offices

Office	Approved Nos.	Existing Nos.	Vacant Nos.	Vacant Rate (%)
Headquarters *	24	14	10	42
O&M Directorate				
Netrokona O&M Division	64	23	41	64
Kishoreganj WD Division	55	23	32	58
Brahmanbaria WD Division	60	11	49	82
Sunamganj O&M Division	97	32	65	67
Habiganj O&M Division	61	23	38	62

Note: \* 1 Division offices include the number of manpower of sub-division and section offices.  
Source: BWD, O&M Directorate and 5 Division Offices

Manpower necessary for O&M Works in BWDB

Name of Office	Netrakona			Kishoreganj			Habiganj			Brahmanbaria			Sunamganj		
	Set	Exi	New	Set	Exi	New	Set	Exi	New	Set	Exi	New	Set	Exi	New
Division Office	21	7	23	15	6	23	20	7	23	9	1	15	20	4	23
	1 DO			1 DO			1 DO			1 DO			1 DO		
Sub-division Office	2 SDOs	6	53	20	8	65	21	7	44	6	0	10	19	8	33
	2 SDOs			2+ new 1 SDOs			2 SDOs			1 SDO			2 SDOs		
	5 SDOs			5+ new 3 SDOs			6 SDOs			3 SDOs			6 SDOs		
Section Office	20	10	20	20	9	32	20	9	20	9	0	9	24	10	24
Directorate of O&M	Set up: 24, Existing: 14, New set up: 24														

Note: Set = Set up, Ext = Existing, New = New set up,  
DO = Division Office, SDO = Sub-division Office, SO = Section Office

Actual: ( $P_{CR}$ )

Original:

[Rural infrastructure]

1. Institutional Arrangement for O&M

(1) Road Maintenance and Road Safety Unit (RMRSU), headed by Additional Chief Engineer (Maintenance), will manage overall operation and maintenance of the Upazila and Union roads. Implementation of all maintenance works under the Project will follow standard LGED procedure, involving the concerned Regional Superintending Engineers, District Engineers, and Upazila Engineers.

(2) The maintenance activities for the village roads (excluding important village roads) will be carried out by the Upazila and Union Parishads with the technical guidance of LGED upazila offices.

(3) Operation and maintenance of the centers/ markets are the responsibility of the lessee, the market management committee (MMC) and Upazila market management committee (UMMC) as stipulated in the Guideline on Government Hat/ Bazaar Management, Lease Procedures and Distribution of Income (LGD, 2011). The Upazila Parishads are responsible for the annual leasing of all rural markets within its jurisdiction, and some percentages (15% to 25%) of the lease value shall be allocated to the maintenance of the markets. The operation and maintenance of the ghats are under the responsibility of MMC, the market lessee, or other lessee.

(4) O&M activities for the developed beels in the project components 3 (fishery) will be made by the beel users groups (BUGs).

2. O&M Plan

Rural Road Maintenance Policy was prepared by LGED and approved in January 2013. Consistent with the Rural Road maintenance Policy, LGED has prepared the Road Maintenance Action Plan for NOBIDEP, which focuses on the improvement of road maintenance cycle for effective use of the available resources, which includes improving the "Guidelines for Maintenance of Rural Infrastructure" and establishment of rural road network performance monitoring system. Although the action plan was prepared under NOBIDEP, it is applicable to the Project as well although there are some particular issues for the haor areas. LGED will ensure that the Action Plan will be applied to target areas of the Project beyond 14 districts of NOBIDEP. In reviewing the Guidelines, necessary O&M for submergible roads will also be considered.

3. O&M Budget

Although the allocation of maintenance budget for road maintenance continues to increase, the annual GOB revenue budget allocation has never been sufficient to meet the required amount. In FY2012/13 and FY2013/14, O&M fund allocation was 7,600million taka and 8,000million taka respectively although the required amounts for rehabilitation and maintenance were 36,059million taka and 48,215million taka respectively (21% and 17% of requested amount). The expected amount for O&M of roads in the Project is estimated to be 176million taka for each year (including 1.5million taka for markets and ghats). Among the estimated amount, 20million taka is for village roads other than important village roads, which has to be borne by local government.



Appendix(s)	
Actual: (PCR)	
<p>LGED recognizes the need to address the current rural road maintenance funding shortfall and prepared Rural Road Maintenance Policy (2012) which was approved in 2013, for securing and sustaining maintenance budget. The most three important features of the policy are as follows:</p> <p>a) a progressive increase in the GOB annual budget for rural road maintenance, a 20% increase per annum until the budget meets 75% of the needs;</p> <p>b) provision for foreign-assisted rural infrastructure projects to finance planned maintenance and rehabilitation works; and</p> <p>c) planning, implementation and management measures to increase the efficiency by developing more comprehensive inventory database linked to Geographic Information System (GIS) spatial data.</p> <p>According to the maintenance policy of LGED, every project will secure more than 10% of its base cost for the rehabilitation of existing roads. LGED will utilize a part of that rehabilitation budget to ensure that the appropriate O&amp;M of village roads (not-important village roads) will be conducted until LGIs will be able to secure their own budget on O&amp;M of village roads.</p>	

#### 4-2 O&M Cost and Budget

- The actual annual O&M cost for the duration of the Project up to today, as well as the annual O&M budget.

(PCR)

5: Evaluation

#### 5-1 JICA and Borrower/Executing Agency Performance

Please evaluate the performance of the two bodies.

JICA: (PCR)

Borrower/Executing Agency: (PCR)

#### 5-2 Overall evaluation

Please describe your evaluation on the overall outcome of the Project.

(PCR)

#### 5-3 Lessons Learnt and Recommendations

Please raise any lessons learned from the Project experience, which might be valuable for the future JICA assistance or similar type of projects, as well as any recommendations, which might be beneficial for better realization of the Project effect, impact and assurance of sustainability.

(PCR)

## Time-bound Action Plan

## ANNEX III

<u>No.</u>	<u>Area</u>	<u>Agreed Action</u>	<u>Responsible Agency</u>	<u>Target Date</u>	<u>Actual Date</u>	<u>Revised Target Date</u>	<u>Indicator</u>
Critical Issues and required immediate actions							
1	Development Project Proposal (DPP)	To submit the DPP to Ministry (Ministry of Water Resources, Ministry of LGRD&C)	BWDB LGED	Before end of March 2014			Approved DPP
2		For Ministry of Water Resources, Ministry of LGRD&C to give approval to DPP	Ministry of Water Resources Ministry of LGRD&C	Before end of April 2014			
3		For Planning Commission to complete examination of the DPP	PC	Before end of May 2014			
4		JICA review for PEC approved DPP	BWDB LGED	May 2014			
5		For ECNEC to finally approve the DPP (in any cases before signing the loan agreement)	BWDB LGED	Before LA effectuation			
6		Interim PMO	To form interim PMO	BWDB	By 15 <sup>th</sup> Mar 2014		
Other issues							
7	Institutional Arrangement	To establish Project Management Office	BWDB LGED	3 months after DPP approval			Report from BWDB and LGED to JICA (any format)
8		To establish of PIUs					Report from BWDB and LGED to JICA (any format)

9	To establish one new sub-division office (with 3 section offices) under Kishoregani division office (BWDB)			Before commencement of construction work			Report from BWDB to JICA (any format)
10		LGED		6 months for PMO and 9 months for PUs after DP approval			Report from LGED to JICA (any format)
11		BWDB		Oct 2016			Copy of signed MOU, LOA
12		LGED		Dec 2014			Copy of signed MOU
13	Banking Arrangement (Special account procedure)	BB MOF(ERD)		Before LA signing			Draft Banking Arrangement documents
14		BB BTMU		2 weeks after L/A signing			Banking Arrangement documents
15	Consultant Selection	BWDB LGED		Mid-March, 2014			Report from BWDB and LGED to JICA (any format)
16				End -March, 2014			Report from BWDB and LGED to JICA (any format)
17				End of June, 2014			RFP/Short-list
18				Mid-Aug, 2014			RFP
19	Safeguard issues	BWDB		Before start of tendering process			Submission of monitoring forms as a part of QPRs
20		LGED					
21		BWDB					
22		LGED		During implementation			

23	Anticorruption Actions	To submit annual internal audit report	BWDB LGED	Every year			Submission of annual internal audit report
24		To submit anticorruption monitoring sheet		Every quarters			Submission of monitoring sheet as a part of QPRs
25	Statement of Expenditure	To furnish the Audit Report	BWDB LGED	Each December			Submission of Audit report from BWDB and LGED to JICA
26	Agriculture and Fishery promotion activities	To prepare technical guidelines and operation manuals for each activity (during the detailed design stage)	BWDB LGED	Nov 2016 Aug 2015			Report in Time-bound action plan which is the part of QPR
27	O&M (Flood management)	To prepare O&M Guidelines	BWDB	Sep 2015			Submission of O&M Guidelines to JICA
28		To formulate Water Management Organization (WMO) in each sub project area (before tender process of each sub project)		Before start of tender process			Report in Time-bound action plan which is the part of QPRs (Number of WMO established)
29		To prepare O&M plans and O&M manuals for each sub project (during the detailed design stage and reviewed once WMOs are formed)		Before start of tender process			Report in Time-bound action plan which is the part of QPRs (Number of subprojects finished preparing plans and manuals)
30		To update O&M manual for BWDB to incorporate specific issues for haor areas		April 2022			Submission of updated O&M manual to JICA
31		To fulfill vacant posts in division, subdivision and section offices (in accordance with the completion of subprojects)		Completed by April 2022			Report in Time-bound action plan which is the part of QPRs (Number of positions filled)
32	O&M (Rural infrastructure)	To incorporate haor area specific issues to the revised "Guidelines for Maintenance of Rural Infrastructure"	LGED	Aug 2016			Submission of Revised "Guidelines" submission from LGED to JICA
33	Reporting	To submit Quarterly Progress Report (QPR) together with following sheets 1) Procurement monitoring sheet 2) Anticorruption monitoring sheet 3) Subprojects progress monitoring sheet 4) Environmental and social monitoring sheet 5) Time-bound action plan	BWDB LGED	Every quarter			PSR submission to JICA

## ANNEX IV

## List of Appendices

1	Project Site Map
2	List of sub projects for Component 1
3	List of sub projects for Component 2
4	Agriculture promotion activities (Component 3-1)
5	Fishery promotion activities (Component 3-2)
6	Terms of Reference for consulting services (for BWDB portion)
7	Manning schedule for consulting services (for BWDB portion)
8	Terms of Reference for consulting services (for LGED portion)
9	Manning schedule for consulting services (for LGED portion)
10	Details of Component 1-2 Capacity Development
11	Details of Component 2-2 Institutional Strengthening and 2-3 Capacity Development
12	Detailed Implementation Schedule (for BWDB portion)
13	Detailed Implementation Schedule (for LGED portion)
14	Cost Breakdown (for BWDB portion)
15	Cost Breakdown (for LGED portion)
16	Annual Fund Requirement
17	Annual Fund Requirement (BWDB portion, LGED portion)
18	Project implementation arrangements
19	Detailed Project Implementation arrangements for BWDB
20	Detailed Project Implementation arrangements for LGED
21	Procurement Monitoring Sheet (To be attached to the QPRs)
22	Formulation of Water Management Organization
23	Terms of reference of internal audit
24	Environmental Checklist
25	Subproject Implementation and Environmental and Social Monitoring Form (To be attached to the QPRs)
26	Entitlement Matrices
27	EIR of the Project
28	Anticorruption monitoring sheet (To be attached to the QPRs)
29	Sample of Commemorative Panels for Public Relations

34		To submit Project Completion Report (PCR) in use of PSR format	BWDB LGED	Within 6 months after the Project completion			PCR submission to JICA
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Appendix 2: List of Subprojects for Component 1

[Rehabilitation]

No.	Sub-Project Name	Resection of Embankment			Re-excauation of Canal Length (km)	Replacement of Gates No.
		Full	Submergible	Length (m)		
R-1	Dampara	200	460	12	15	
R-2	Kangsa River	40			16	
R-3	Singer Beel	100	125	2	1	
R-4	Baraikhali Khal	10		24.5	6	
R-5	Alaria Bahadia			8	2	
R-6	Modkhola Bhairagirchar	500			3	
R-7	Ganakkhali		60	20	9	
R-8	Kairdhala Ratna		6000	2.4	2	
R-9	Bashra River			2	4	
R-10	Aralia Khal	100		2	1	
R-11	Chandal Beel			4.5	20	
R-12	Satdona Beel	600			19	
R-13	Gangajuri FCD		810		3	
R-14	Kaliyuri Polder #2		630		103	
R-15	Kaliyuri Polder #4					
Total (Rehabilitation)		1550	8085	75.4		

[New construction]

No.	Boro (Nikli)	Sub-Project Name	Submergible Embankment		Re-excauation of Canal	Replacement of Gates
			Length (km)	Land acquisition (m <sup>2</sup> )		
N-1	Naogaon		9.6	139,200	10.0	3
N-2	Naogaon		34.1	269,390	20.0	4
N-3	Jallar		6.8	53,720	8.0	2
N-4	Dharmapasha		57.1	759,430	5.0	7
N-5	Chandpur		2.1	16,590	5.0	2
N-6	Sumair		16.2	98,820	25.0	2
N-7	Badla		10.8	104,760	2.0	2
N-8	Nunmr		25.5	262,650	20.0	3
N-9	Dakshimer		18.3	199,470	10.0	2
N-10	Chatal		5.7	58,710	11.0	2
N-11	Ganesh		22.5	245,250	3.0	2
N-12	Dhakua		36.5	463,550	30.0	3
N-13	Mokhar		68.8	997,600	110.0	5
N-14	Noapara		28.3	410,350	7.0	3
Total (New)			342.3	4,079,490	266.0	42.0
				4,079km <sup>2</sup>		
				407.9ha		

\*No resettlement will be expected since all the land areas to be acquired are paddy fields.