



ASIAN DEVELOPMENT BANK

Bangladesh: Second Chittagong Hill Tracts Rural Development Project

Project Name	Second Chittagong Hill Tracts Rural Development Project
Project Number	42248-013
Country	Bangladesh
Project Status	Approved
Project Type / Modality of Assistance	Loan
Source of Funding / Amount	Loan 2763-BAN: Second Chittagong Hill Tracts Rural Development Project Asian Development Fund US\$ 55.00 million
Strategic Agendas	Inclusive economic growth
Drivers of Change	Governance and capacity development
Sector / Subsector	Agriculture, natural resources and rural development - Land-based natural resources management - Rural water policy, institutional and capacity development Transport - Road transport (non-urban)
Gender Equity and Mainstreaming	Gender equity
Description	The Project impact will be increased rural household incomes in CHT subproject areas. The outcome of the Project will be increased employment and income generating opportunities in subproject areas. There will be five main outputs: (i) institutional development and capacity building; (ii) rural roads and markets; and (iii) community infrastructure; (iv) micro agribusiness development (MAD); and (v) project management.
Project Rationale and Linkage to Country/Regional Strategy	The design of CHTRDP II is based on the following main lessons from CHTRDP: (i) lack of village access to local markets impedes the development and transformation of production, and subproject development needs to be more directly linked with improved access; (ii) transformation of production requires security of land tenure; (iii) community's main needs are for irrigation infrastructure and village water supply; (iv) sustainability of small rural infrastructure investments may be at risk due to limited beneficiary participation in the development process and insufficient awareness of their operation and maintenance (O&M) roles and responsibilities; and (v) empowerment of local leaders and communities, and sustainability of rural development interventions require more intensive capacity building efforts
Impact	Increase in rural household incomes in subproject areas in CHT

Project Outcome

Description of Outcome	Increased income-generating opportunities for men and women in subproject areas
Progress Toward Outcome	Project implementation consultants, nongovernment organizations and individual consultants supporting project management, procurement, and construction activities are all on board. Activities have been started in terms of agricultural production, market space for women, reduced time for fetching water, reduced time for going to market place. Recruitment of MAD-MFI consultant ongoing.

Implementation Progress

Description of Project Outputs	Institutional Development and Capacity Building Rural Roads Community Infrastructure Micro Agribusiness Development Project Management
--------------------------------	--

Status of Implementation Progress (Outputs, Activities, and Issues)	<p>Procurement Plan up to June 2016 is under preparation.</p> <p>Assistant Engineers have been appointed. Not yet transferred to Government revenue budget.</p> <p>CHTRC will initiate the process immediately.</p> <p>Capacity is being developed and expects to capable by mid-term review of the Project.</p> <p>Implementation consulting firm recruited. Recruitment or MAD-MRI consultant ongoing.</p> <p>Out of 180 NGO staff, more than 60 are women.</p> <p>ADB approved Bid Evaluation report for Panchari Road of 5.4 km (Khagrachari) and Bedbunia 6 km (Rangamati) Road and the works are ongoing.</p> <p>3.9 km of missing link will be aligned along with construction of roads.</p> <p>Contract for community structures was signed on 18 August 2013 and work is ongoing.</p> <p>Rangamati 70%, Khagrachari 88%, and Bandarban 55% completed as per original contract.</p> <p>Ongoing. Feasibility of 135 villages completed.</p> <p>Works ongoing in 90 sites as approved by ADB.</p> <p>Ongoing. 1,500 work days completed.</p> <p>Ongoing. 450 work days created.</p> <p>Ongoing. Area is being covered in ongoing 135 villages.</p> <p>Six sites already selected of which 2 has been approved by ADB. Feasibility study report for 3 submitted to ADB for approval.</p> <p>42 km selected and work ongoing of which 40% works completed.</p> <p>5 completed.</p> <p>Ongoing. Micro-agribusiness Development specialist under PIC has been on board since 21 May 2014.</p> <p>MAD-MRI under recruitment process</p> <p>MAD-MRI under recruitment process</p> <p>PMO fully staffed and operational</p> <p>Due delayed start up of the Project, the projections could not be met. A realistic projections has been submitted for 2015.</p> <p>Being complied.</p> <p>Being complied.</p>
Geographical Location	
Safeguard Categories	
Environment	B
Involuntary Resettlement	A
Indigenous Peoples	A
Summary of Environmental and Social Aspects	
Environmental Aspects	Since the project will improve the existing rural road network and community infrastructure and new roads are not planned, no significant adverse environmental impacts are expected.
Involuntary Resettlement	There may be titled land to be acquired under the project. The project's Land Acquisition and Resettlement Framework (LARF) therefore outlines an approach to the valuation and compensation of land that is a blend of statutory and customary laws for valuation, verification, and settling disputes.
Indigenous Peoples	The area is home to 41% of Bangladesh's total indigenous peoples population. An indigenous peoples plan details principles and methodology to design and implemet the project to ensure indigenous peoples (i) receive culturally appropriate social and economic benefits, (ii) do not suffer adverse impacts as a result of projects, and (iii) can participate actively in projects that affect them.
Stakeholder Communication, Participation, and Consultation	
During Project Design	<p>The project has been designed through extensive and rigorous consultation with all stakeholders. All relevant institutions including the Ministry of Chittagong Hill Tracts Affairs and the Ministry of Finance, the Chittagong Hill Tracts Regional Council, the three hill district councils, circle chiefs, the Local Government Engineering Department, upazila and union parishads (elected council) members, various headmen and karbaris (village elder), and several nongovernment organizations were consulted. The TA team carried out many field surveys and field visits, and had strong representation of indigenous peoples on the team. At various stages, findings and design suggestions were discussed in public forums, including district and regional workshops. Stakeholder analysis was conducted through a series of focus group discussions in the project area, with different groups to identify both the supply- (service providers) and demand-side (beneficiary) stakeholders. Scope for involvement and the means of participation of these groups during project implementation were also identified.</p>

During Project Implementation	A participation strategy is proposed that includes mobilizing community groups, including women, through extensive consultation about the project components and the accruable benefits, and their roles and responsibilities, so that they can develop a sense of ownership and access the benefits. Communities will select and carry out construction of village-based infrastructure.
-------------------------------	---

Business Opportunities

Consulting Services	Advance contracting for project implementation consultants was approved for the Project. All consultants and nongovernment organizations will be engaged using ADB's Guidelines on the Use of Consultants (2010, as amended from time to time).
Procurement	All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines (2010, as amended from time to time). There will be no contract using international competitive bidding procedures. Civil works and supply contracts valued at less than \$1 million will use national competitive bidding procedures.

Responsible ADB Officer	Md. Shahidul Alam
Responsible ADB Department	South Asia Department
Responsible ADB Division	Bangladesh Resident Mission
Executing Agencies	<i>Ministry of Chittagong Hill Tracts Affairs Banglad</i> <i>Building No. 4 (6th floor)</i> <i>Dhaka-1000</i> <i>Bangladesh</i>

Timetable

Concept Clearance	09 Mar 2011
Fact Finding	01 Mar 2011 to 07 Mar 2011
MRM	27 Apr 2011
Approval	14 Jul 2011
Last Review Mission	-
Last PDS Update	23 Mar 2015

Loan 2763-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
14 Jul 2011	02 Oct 2011	13 Dec 2011	30 Jun 2019	-	-

Financing Plan			Loan Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	70.81	Cumulative Contract Awards				
ADB	55.00	14 Jul 2011	10.93	0.00		23%
Counterpart	15.81	Cumulative Disbursements				
Cofinancing	0.00	14 Jul 2011	8.08	0.00		17%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	-	-	-	-	-

Project Page	http://www.adb.org/projects/42248-013/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=42248-013
Date Generated	22 August 2015

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.