



Bangladesh: Secondary Towns Integrated Flood Protection (Phase 2)

Project Name	Secondary Towns Integrated Flood Protection (Phase 2)								
Project Number	26427-013								
Country	Bangladesh								
Project Status	Approved								
Project Type / Modality of Assistance	Loan								
Source of Funding / Amount	<table><tr><td colspan="2">Loan 2117-BAN: Secondary Towns Integrated Flood Protection (Phase 2)</td></tr><tr><td>Asian Development Fund</td><td>US\$ 80.00 million</td></tr><tr><td colspan="2">Loan 8220-BAN: Secondary Towns Integrated Flood Protection (Phase 2)</td></tr><tr><td>OPEC Fund for International Development</td><td>US\$ 15.00 million</td></tr></table>	Loan 2117-BAN: Secondary Towns Integrated Flood Protection (Phase 2)		Asian Development Fund	US\$ 80.00 million	Loan 8220-BAN: Secondary Towns Integrated Flood Protection (Phase 2)		OPEC Fund for International Development	US\$ 15.00 million
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Loan 8220-BAN: Secondary Towns Integrated Flood Protection (Phase 2)									
OPEC Fund for International Development	US\$ 15.00 million								
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth								
Drivers of Change									
Sector / Subsector	Water and other urban infrastructure and services - Urban flood protection - Urban sanitation - Urban slum development - Urban solid waste management								
Gender Equity and Mainstreaming	Gender equity								
Description	<p>The Project for integrated flood protection covers nine secondary towns in Bangladesh: Brahmanbaria, Gaibandha, Jamalpur, Kushtia, Manikganj, Munshiganj, Mymensingh, Rajshahi, and Sunamganj. The selected towns are prone to river flooding, river erosion, waterlogging, and flash floods. The poorer income groups, especially recently settled dwellers, are the most vulnerable to disaster. Lack of flood protection and inadequate drainage lead to waterlogging and overflowing of sewerage facilities, especially latrines, and cause widespread environmental degradation and deplorable unsanitary living conditions. The integrated approach, combining river protection works with drainage and basic sanitation services, is appropriate for the urban areas in Bangladesh, which are prone to frequent river flooding, particularly in low-lying areas with poor drainage systems. In the project design, flood protection works are fully integrated with drainage system improvement, sanitation, and solid waste management to establish better environmental conditions and more hygienic living conditions for the poor in the slums. While most of the project investments will be directed toward the construction of infrastructure facilities for urban flood protection, the participating towns will also implement the Urban Governance Improvement Action Program (UGIAP) which was originally introduced in an earlier Asian Development Bank (ADB)-assisted project in six key result areas, four for enhancing awareness and participation of local stakeholders in urban planning and management, and two for improving accountability and transparency in municipal administration. The long-term sustainability of the project investments will depend on progress that the project towns will make in managing their municipal affairs.</p>								
Project Rationale and Linkage to Country/Regional Strategy	<p>The growth potential of the urban sector in Bangladesh is severely undermined by frequent flooding. There are about 550 urban centers in Bangladesh and many of them suffer from severe erosion and destruction of physical infrastructure caused by river flooding and waterlogging. Flooding is a perennial problem and the urban areas are more prone to economic and human losses due to their high population density and concentration of industrial and investments sites. While the Government had wanted to address the problems of flooding and erosion in urban areas as early as in the 1970s, no major investments could be carried out due to resource constraints. As a result, the urban areas, especially the secondary towns, have remained neglected. After the devastating floods of 1987 and 1988, the Government and development partners prepared the Flood Action Plan. Under the plan, Dhaka and 15 district towns were identified for urban flood protection. ADB has already provided two loans to cover Dhaka and 6 of the 15 district towns. ADB's intervention proved to be very effective, as evidenced during another massive flooding in 1998. The proposed Project will cover the remaining towns identified earlier. A feasibility study for a third loan for urban flood protection is included under the Project.</p>								

Impact	The Project will promote economic growth and reduce poverty in nine selected towns by providing a flood-free and secure living environment within the framework of integrated flood protection. The integrated approach, combining river protection works with drainage and basic municipal services, is appropriate for the urban areas in Bangladesh, which are prone to frequent river flooding, particularly in low-lying areas with poor drainage systems. The urban sector remains a priority for ADB because it presents a greater opportunity for both pro-poor economic growth, as well as targeted poverty reduction, particularly at the secondary towns level.
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Project Outcome	
Description of Outcome	1. Relatively flood-free and secure living environment within the framework of integrated flood protection 2. Improved urban governance for sustainable urban service delivery
Progress Toward Outcome	Progress as of 30 June 2014 ADB loan account is closed on 12 December 2012. It is cofinanced by OFID Loan 8200, which is also closed on 31 March 2014 and OFID's loan account is under process of closure. 1. Relatively flood-free and secured environment. 2. Improved urban governance.

Implementation Progress	
Description of Project Outputs	Flood protection facilities Improved drainage systems Urban environmental improvements Improvement of basic amenities in urban slums Urban governance improvement through UGIAP implementation (i) Increased accountability and transparency in municipal management (ii) Improved financial accountability and sustainability
Status of Implementation Progress (Outputs, Activities, and Issues)	Implementation progress as of 30 June 2014: New construction 34.01km and repaired 12.44km 2.78 km done against a target of 8.70km completed. 41.10 km completed, which is a revised target. 68 Nos. new and repaired 2 Nos. 4 Nos. completed. which is a revised target. 11. 55 km completed, which is a revised target. target revised from 81 Nos. to 67 Nos. Physical works completed. Completed. Physical works (in km) completed. Physical works completed against its target of 80 Nos. . Physical works completed. Instead of distribution of 13,200 sanitary pit latrines, constructed 21 public toilets. 8 Transfer station constructed against a target of 8 in the project pourashavas. Construction of footpaths, community latrines, community-based water supplies, incomegenerating activities and other poverty reduction programs as agreed upon within the community have been completed. Training provided to all the municipal staff. Re-assessment completed as scheduled. Loan account of the project was closed effective 12 December 2012.
Geographical Location	Bangladesh: Brahmanbaria, Gaibandha, Jamalpur, Kushtia, Maniganjk, Munshiganj, Mymensingh,Rajshahi and Sunamganj.

Safeguard Categories	
Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	<p>The STIFPP II is within the Asiatic monsoon region in Bangladesh. The area is humid tropical with prolonged monsoons for 4-5 months of the year and consequent intermittent flooding from May to October in large parts of the country. Elevations of the secondary towns generally vary from 5.5 meters (m) to 16.5 m above sea level. Both urban and rural areas surrounding the nine towns are generally subject to moderate to high flooding risk from the adjacent rivers, and internal runoff from intense or prolonged storm events. The current drainage systems of these towns consist of small, ad hoc drainage ditches that were able to direct water to low-lying areas, ponds, khals (water channels), or rivers. With the increase in population and building density, paved areas, and reduced green space, urban runoff discharge has increased considerably, often rendering existing drainage systems inadequate. While the official 2001 population figures for the nine towns total 1.16 million, there are significant and unaccounted for poorer income groups, notably recently settled dwellers who are most vulnerable to the impacts of flooding and inadequate drainage.</p>
Involuntary Resettlement	<p>The land acquisition and other resettlement impacts of the Project was not significant despite the large number of affected persons (APs). According to the census undertaken during. 10,228 persons was be affected by the Project; 8,443 by the river protection works and 1,785 by the drainage improvement works. These were mainly informal dwellers who do not have any land titles to the property that they currently occupy. These people will need to move temporarily to allow construction to proceed, but they will stay close to the present locations and retain their existing sources of livelihood as well as social bonds. They will thus be saved from total disruption that is so common with relocation to distant locations.</p> <p>The temporary removal of APs, however, will trigger resettlement safeguards. All APs are entitled to compensation packages elaborated in the entitlement matrix of the resettlement plan summary¹⁰ (Appendix 10). During socioeconomic surveys and a census of all potentially affected communities, APs expressed their willingness to self-relocate. The Project will assist them when they relocate as stated in the resettlement plan. The plan was disclosed to all APs during stakeholder consultations and will be posted in BWDB, LGED and ADB web sites. The Project will not have any impacts on indigenous people since there are no indigenous people in the project towns.</p>
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	<p>The growth potential of the urban sector in Bangladesh is severely undermined by frequent flooding. There are about 550 urban centers in Bangladesh and many of them suffer from severe erosion and destruction of physical infrastructure caused by river flooding and waterlogging. Flooding is a perennial problem and the urban areas are more prone to economic and human losses due to their high population density and concentration of industrial and investments sites. While the Government had wanted to address the problems of flooding and erosion in urban areas as early as in the 1970s, no major investments could be carried out due to resource constraints. As a result, the urban areas, especially the secondary towns, have remained neglected. After the devastating floods of 1987 and 1988, the Government and development partners prepared the Flood Action Plan. Under the plan, Dhaka and 15 district towns were identified for urban flood protection. ADB has already provided two loans to cover Dhaka and 6 of the 15 district towns. ADBs intervention proved to be very effective, as evidenced during another massive flooding in 1998. The proposed Project will cover the remaining towns identified earlier. A feasibility study for a third loan for urban flood protection is included under the Project.</p>
During Project Implementation	
Business Opportunities	
Consulting Services	<p>Advance action was undertaken. In total, two sets of consulting services were provided under the Project; one for Project management, design and supervision (MDS), and the other for urban governance improvement. Implementation assistance at the field levels was provided by the facilitators and the field staff for the slum improvement activities. For the MDS consultants, an international consulting firm was engaged to assist in preparation of design and supervise implementation of civil works of the project. For the remaining three sets of assistance, domestic individual consultants were hired. A total of 67 person-months of international and 1,653 person-months of domestic input was utilized for the Project.</p>
Procurement	<p>All procurement of goods and services financed by ADB was in accordance with ADB's Guidelines for Procurement. Given the small nature of individual contracts for civil works in a scattered area, and executed over five years, individual contracts would attract international bidders. So all the civil work contracts are being executed by the domestic contractors. Local contractors have the capacity to carry out the civil works. To ensure quality of works, the executing agencies awarded civil works contracts to the pre-qualified contractors following Government's local competitive bidding procedures acceptable to ADB. PIUs under the guidance of project management office (PMO) carried out the procurement for civil works only.</p> <p>Procurement packages for goods are below \$500,000. So most of the procurement were under ADB's International Shopping Procedures. Direct purchase procedures followed for small or off-the-shelf items valued at less than \$100,000. Procurement of equipment done by the PMO. An advance action for procurement of equipment and vehicles was followed to facilitate the start-up of Project implementation.</p>
Responsible ADB Officer	Zahir Uddin Ahmad
Responsible ADB Department	South Asia Department
Responsible ADB Division	Bangladesh Resident Mission

Timetable

Concept Clearance	07 Mar 2004
Fact Finding	15 Jun 2004 to 30 Jun 2004
MRM	07 Sep 2004
Approval	16 Mar 2005
Last Review Mission	-
PDS Creation Date	17 Jul 2006
Last PDS Update	31 Mar 2015

Loan 2117-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
02 Dec 2004	12 Jan 2005	12 Jun 2005	31 Dec 2009	30 Jun 2012	12 Dec 2012

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	113.88	Cumulative Contract Awards			
ADB	80.00	02 Dec 2004	70.96	0.00	97%
Counterpart	33.88	Cumulative Disbursements			
Cofinancing	0.00	02 Dec 2004	72.86	0.00	100%

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

Loan 8220-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
16 Mar 2005	08 Sep 2005	13 Dec 2005	31 Dec 2009	31 Dec 2013	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	15.00	Cumulative Contract Awards			
ADB	0.00	16 Mar 2005	0.00	14.76	98%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	15.00	16 Mar 2005	0.00	13.88	93%

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