



Bangladesh: Good Governance Program

Project Name	Good Governance Program
Project Number	37017-013
Country	Bangladesh
Project Status	Approved
Project Type / Modality of Assistance	Loan Technical Assistance
Source of Funding / Amount	Loan 2362-BAN: Good Governance Program Asian Development Fund US\$ 150.00 million TA 4983-BAN: Supporting the Good Governance Program (piggybacked to Loan 37017-01 BAN: Good Governance) Technical Assistance Special Fund US\$ 1.50 million Denmark - DANIDA (w/ LoA) US\$ 1.00 million
Strategic Agendas	Inclusive economic growth
Drivers of Change	Governance and capacity development
Sector / Subsector	Public sector management - Public administration
Gender Equity and Mainstreaming	No gender elements
Description	The Good Governance Program is expected to contribute to economic growth and enhanced public access to effective public services to the citizens of Bangladesh. The key outcome of the Program will be improved governance and lower incidence of corruption in the public sector of Bangladesh. This will be reflected in: (i) increased consensus on good governance, integrity and anticorruption reforms in the country; (ii) increased performance of and transparency within key institutions mandated to fight and prevent corruption such as the ACC, judiciary, prosecution, as well as the civil society, and the private sector; (iii) mainstreaming of initiatives on good governance and anticorruption within selected sectoral level agencies vital to public services; and (iv) strengthening of corruption prevention mechanisms such as the Office of Ombudsman, and legal, institutional framework for whistleblower protection, and right to information.
Project Rationale and Linkage to Country/Regional Strategy	The corruption problem in Bangladesh is endemic and a situation of absolute corruption can be said to exist in the country. Albeit slow, the Government is making steady progress in addressing some broad governance issues, including improving fiscal and financial management, project documentation and processing, public sector management efficiency, and corporate governance in key sectors. Recent measures by the Government to address core governance issues include: (a) the creation of the Anti-Corruption Commission (ACC), (b) strengthening of law enforcement agencies, (c) establishment of regular courts in the hill districts where the majority of the country's indigenous peoples reside, (d) separating the judiciary from the executive, and various civil and criminal justice reforms, (e) development of a national integrity strategy aimed at combating corruption in Government, (f) passage of the Public Procurement Act in 2006, and (g) continuing corporatization and commercialization of sector entities (such as in power) and strengthening regulatory functions. ADB's program of assistance to the Government of Bangladesh has as its core a focus on good governance and anticorruption. Good governance results form one part of the triage of results that ADB has strategically defined for Bangladesh (the other two being sustainable economic growth and social development). ADB's strategy for good governance in Bangladesh also recognizes that a long time frame will be required to forge progress in this area in the country and that greater attention needs to be given to transforming organizations and building credible and strong institutions.
Impact	Economic growth and enhanced public access to effective public service

Project Outcome

Description of Outcome	Improved governance and lower incidence of corruption in the public sector in Bangladesh
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Progress Toward Outcome	Substantial progress has been made. Out of 47 policy conditions 44 policy conditions have been implemented by the Government.
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Implementation Progress	
Description of Project Outputs	1. Vision, Strategy, and Procedures, including NIS, UNCAC, amended Anticorruption Commission Act, and strengthened Anticorruption Commission 2. Enforcement and Sanction Mechanisms, including strengthened judiciary, and improved prosecution services 3. Prevention Mechanisms, including focused anticorruption interventions, accountability mechanisms in line ministries, and grievance redress mechanisms
Status of Implementation Progress (Outputs, Activities, and Issues)	Current Loan closing date was 30 June 2015. Loan extension for another one year has been Requested to implement the remaining 3 policy conditions and to fully acheive the objective of the loan.
Geographical Location	Bangladesh

Safeguard Categories	
Environment	C
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects	
Environmental Aspects	N/A
Involuntary Resettlement	N/A
Indigenous Peoples	N/A

Stakeholder Communication, Participation, and Consultation	
During Project Design	Discussions took place with senior government officials, development partners, and others from civil society.
During Project Implementation	As part of the work on the National Integrity Strategy (NIS), extensive consultations have taken place across Bangladesh, including with civil society, women's groups, members of the academia, local government officials, and general citizens. The Cabinet in July has asked the Executing Agency to continue with some more consultations, particularly with the Parliament. That consultation was completed in 2012 and NIS was approved by the parliament in Oct 2012.

Business Opportunities	
Consulting Services	Recruitment of consultants to be financed from the proceeds of the loan will be in accordance with ADB's Guidelines on the Use of Consultants (April 2007, as amended from time to time). International and national consulting services will assist ACC to implement the project. A total of 7 person-months of international consulting services and 46 person-months of national consulting services will be financed by the project loan. Some consulting packages are specified for individuals, and some for firms; consultant selection will be done through a mix of individual selection, quality-based selection (QBS), and quality-and-cost based selection (QCBS) methods. The Borrower will be responsible for the recruitment of project consultants. ADB will review the request for proposals, including the shortlist, the technical evaluation or proposals, and award recommendations and contract, on a no-objection basis to ensure that the process is carried out in accordance with agreed procedures, as required by ADB's Guidelines on the Use of Consultants and the proposed procurement plan.
Procurement	Procurement of goods and services to be financed under the project components will be carried out in accordance with ADB's Procurement Guidelines (April 2007, as amended from time to time). For such procurement, bid specifications will be prepared in a manner to ensure maximum competition under international and national competitive bidding (NCB). In order to encourage local industry, contracts estimated to cost less than \$500,000 for equipment and related services, and less than \$1,000,000 for works, may be procured following NCB procedures while allowing foreign firms also to participate. Before commencement of NCB procurement, ADB and the Borrower will review the Borrower's procurement procedures to ensure consistency with ADB requirements. Any necessary modifications or clarifications to the Borrower's procedures will be documented in the procurement plan. ADB's domestic preference scheme may be utilized.

Responsible ADB Officer	Syed Hossain
Responsible ADB Department	South Asia Department
Responsible ADB Division	Bangladesh Resident Mission

Timetable

Concept Clearance	17 Apr 2007
Fact Finding	17 Apr 2007 to 30 Apr 2007
MRM	13 Jul 2007
Approval	30 Oct 2007
Last Review Mission	-
PDS Creation Date	06 Mar 2006
Last PDS Update	11 Aug 2015

Loan 2362-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
30 Oct 2007	01 Nov 2007	26 Nov 2007	31 Mar 2012	30 Jun 2016	-

Financing Plan			Loan Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	150.00		Cumulative Contract Awards			
ADB	150.00		30 Oct 2007	105.51	0.00	72%
Counterpart	0.00		Cumulative Disbursements			
Cofinancing	0.00		30 Oct 2007	105.51	0.00	72%

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

TA 4983-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
30 Oct 2007	15 Jan 2008	15 Jan 2008	30 Sep 2011	30 Jun 2014	-

Financing Plan/TA Utilization							Cumulative Disbursements	
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,500,000.00	1,000,000.00	500,000.00	0.00	0.00	0.00	3,000,000.00	30 Oct 2007	1,036,253.61

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

Project Page <http://www.adb.org/projects/37017-013/main>Request for Information <http://www.adb.org/forms/request-information-form?subject=37017-013>

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