



## Local Governance Support Project - 3 (P159683)

SOUTH ASIA | Bangladesh | Urban, Resilience and Land Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2017 | Seq No: 8 | ARCHIVED on 24-Dec-2020 | ISR45030 |

Implementing Agencies: Local Government Division, Ministry of Local Government, Rural Development and Cooperatives, Economic Relations Division, Ministry of Finance, Government of the People's Republic of Bangladesh

**Key Dates****Key Project Dates**

Bank Approval Date: 31-Jan-2017

Effectiveness Date: 29-Mar-2017

Planned Mid Term Review Date: 28-Jun-2019

Actual Mid-Term Review Date: 21-Oct-2019

Original Closing Date: 31-Dec-2021

Revised Closing Date: 31-Dec-2021

**Project Development Objectives**

Project Development Objective (from Project Appraisal Document)

The project development objectives are to institutionalize the Union Parishad (UP) fiscal transfer system, and introduce a fiscal transfer system for Pourashavas on a pilot basis.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

**Components Table**

Name
Institutionalization of UP Fiscal Transfers:(Cost \$648.20 M)
Audits and Performance Assessments, and Management Information Systems:(Cost \$5.14 M)
Expanded Block Grants to Pilot Pourashavas:(Cost \$9.88 M)
Capacity Development and Project Implementation Support:(Cost \$32.91 M)

**Overall Ratings**

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate

**Implementation Status and Key Decisions**

There is strong ownership, commitment and willingness from the Government to institutionalize the Union Parishad (UP) fiscal transfer system. Actions have been completed in line with the project design, including updating the Government Medium-Term Budgetary Framework (MTBF), functioning of institutionalization committees, and 100 per cent GoB funding of Basic Block Grants (BBGs). However, LGD capacity building, including training, and on-the-job mentoring have been delayed due to the COVID-19 pandemic.



**Risks**

**Systematic Operations Risk-rating Tool**

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	□ Substantial	□ Substantial	□ Moderate
Macroeconomic	□ Low	□ Low	□ Low
Sector Strategies and Policies	□ Substantial	□ Substantial	□ Moderate
Technical Design of Project or Program	□ Moderate	□ Moderate	□ Moderate
Institutional Capacity for Implementation and Sustainability	□ High	□ High	□ Substantial
Fiduciary	□ Substantial	□ Substantial	□ Moderate
Environment and Social	□ Low	□ Moderate	□ Moderate
Stakeholders	□ Low	□ Low	□ Low
Other	--	--	--
Overall	□ Substantial	□ Substantial	□ Moderate

**Results**

**PDO Indicators by Objectives / Outcomes**

Institutionalization of UP fiscal Transfer system

► Institutionalization of UP fiscal transfer system (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021

1. It is in progress and partially completed, the full institutionalization will be completed by end of the Project.
2. 100 per cent Government Basic Block Grant target achieved.  
Comments:
3. Official Guidelines is completed.

► Share of beneficiaries, disaggregated by gender, agreeing that UPs are meeting local priorities (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	55.00	89.00	89.00	90.00



Date	31-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
Comments:	1. Data collection of beneficiaries, disaggregated by gender is ongoing.			
<input type="checkbox"/> Share of beneficiaries, disaggregated by gender, agreeing that UPs are meeting local priorities (Female) (Percentage, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	55.00	88.00	88.00	88.00
Date	31-Mar-2016	09-Jun-2020	18-Dec-2020	31-Dec-2021
<input type="checkbox"/> Share of beneficiaries, disaggregated by gender, agreeing that UPs are meeting local priorities (Male) (Percentage, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	66.00	90.00	90.00	90.00
Date	31-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
<b>► Institutionalization of Annual financial audits and performance assessments for all UPs (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
Comments:	<ol style="list-style-type: none"> <li>In progress, institutionalization will be completed by end of the project</li> <li>The methodology of financial audit is part of official guidelines</li> <li>The guidelines has covered procedure/process of recruitment of auditors</li> </ol>			

Introducing a pilot fiscal transfer system for Pourashavas				
<b>► Number of EBG tranches released per year on a transparent and predictable basis to participating Pourashavas (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	2.00	2.00
Date	31-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021

### Intermediate Results Indicators by Components

Institutionalization of UP Fiscal Transfers				
<b>► The budget line item for BBG allocations reflected in the LGD's MTBF for fiscal year 2021-2022 onwards (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	Yes	Yes	Yes
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
Comments:	The budget line item of BBG for FY 2021-22 and onwards has already reflected in MTBF.			
<b>►UP Wing at LGD administers UP fiscal transfer system (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	30-Dec-2021
Comments:	The UP Wing at LGD has started the training in administering the UP fiscal transfer and the project is expected to achieve the end target by the end of the project.			
<b>►BBGs to Eligible UPs disbursed 100% out of GoB budget in accordance with the issued guidelines and/or regulations (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
Comments:	GoB budget provisions of 100% BBGs for years 4 and 5 have been fully allocated by GoB funds			

<b>Audits and Performance Assessments, and Management Information Systems</b>				
<b>►UP annual audits and performance assessments managed and carried out by LGD in accordance with the issued guidelines and/or regulations (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
Comments:	1. The fees for audit firms and review firms will be paid from fully GoB funded BBGs budgets which have been transferred to the project account, and the project is expected to achieve the end target by the end of the project.			
<b>►The average performance score of UPs nationwide (Based on 40 point scale) (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	17.70	24.15	24.15	30.00
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
Comments:	In progress.			



▶ Annual percentage increase in UP own- source revenues (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.60	4.60	5.00
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
Comments:	The end target is 5 percent and the current actual is 4.6 percent.			
▶ Percentage of UP procurement reported using the procurement MIS system (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021
▶ Percentage of the schemes selected by women annually (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	30.00	34.13	34.13	36.00
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	30-Dec-2022
▶ Percentage of UPs implementing at least one larger scheme using 25% of their annual BBG allocation (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	76.80	76.80	80.00
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021

Expanded Block Grants to Pilot Pourashavas				
▶ Annual Pourashava financial audits conducted in participating Pourashavas (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	1.00	1.00
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	31-Dec-2021

Capacity Development and Project Implementation Support				
▶ Number of new UP functionaries participated core training (cumulative) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	21,700.00	21,700.00	50,000.00
Date	01-Mar-2017	09-Jun-2020	18-Dec-2020	30-Dec-2022

**Performance-Based Conditions**

**Data on Financial Performance**

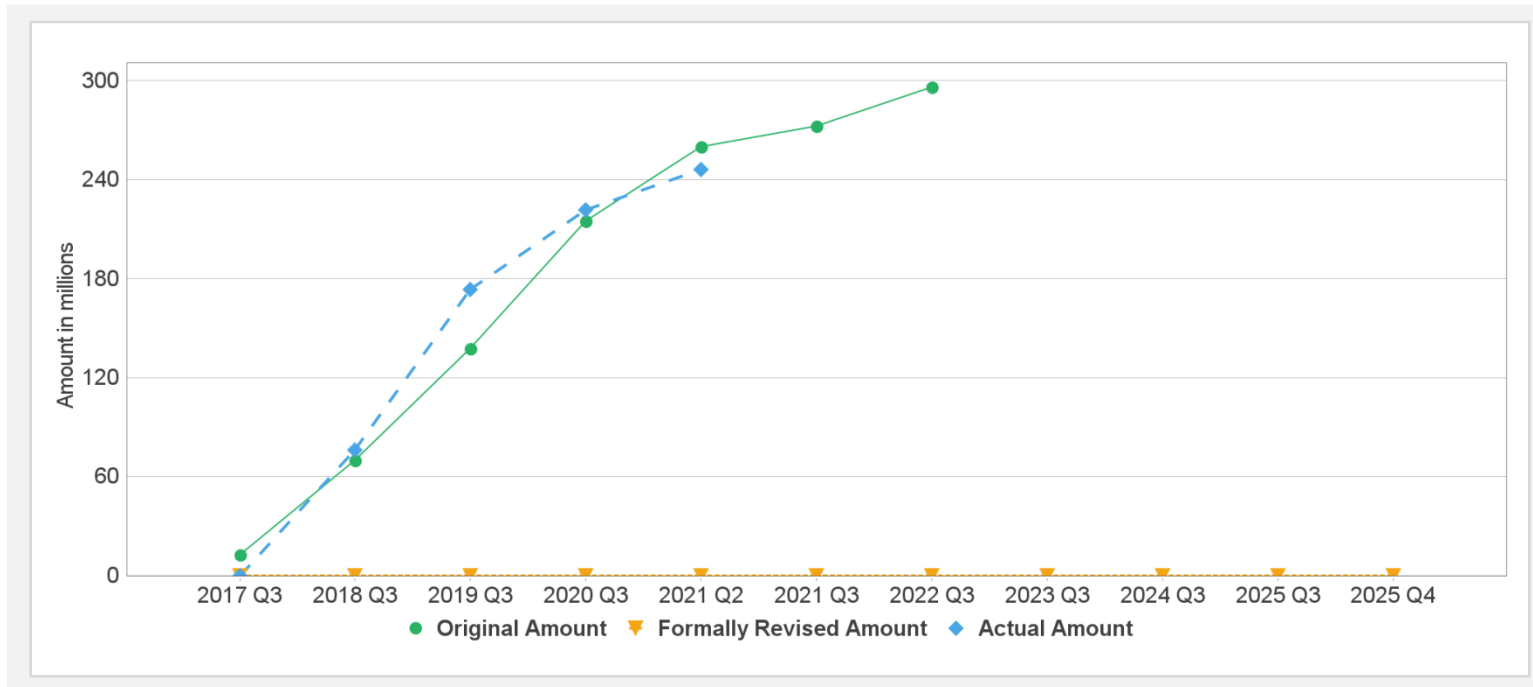
**Disbursements (by loan)**

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P159683	IDA-59460	Effective	USD	300.00	300.00	0.00	246.14	64.98	79%

**Key Dates (by loan)**

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P159683	IDA-59460	Effective	31-Jan-2017	06-Mar-2017	29-Mar-2017	31-Dec-2021	31-Dec-2021

**Cumulative Disbursements**





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**PBC Disbursement**

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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**Restructuring History**

There has been no restructuring to date.

**Related Project(s)**

There are no related projects.

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