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INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT  
IN THE AMOUNT OF SDR 72.8 MILLION  
(US\$100.5 MILLION EQUIVALENT)

TO THE

PEOPLE'S REPUBLIC OF BANGLADESH

FOR A

DHAKA CITY NEIGHBORHOOD UPGRADING PROJECT

MARCH 7, 2019

Social, Urban, Rural And Resilience Global Practice  
South Asia Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective October 31, 2018)

Currency Unit = BDT

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BDT 83.0 = US\$1

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US\$1.38213 = SDR 1

FISCAL YEAR

July 1 – June 30

Regional Vice President: Hartwig Schafer

Country Director: Robert J. Saum

Senior Global Practice Director: Ede Jorge Ijjasz-Vasquez

Practice Manager: Catalina Marulanda

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## ABBREVIATIONS AND ACRONYMS

C&AG	Comptroller and Auditor General
CASE	Clean Air and Sustainable Environment
CE	Citizen Engagement
CPF	Country Partnership Framework
DA	Designated Account
DCNUP	Dhaka City Neighborhood Upgrading Project
DMA	Dhaka Metropolitan Area
DMP	Dhaka Metropolitan Police
DNCC	Dhaka North City Corporation
DPP	Development Project Proposal
DSCC	Dhaka South City Corporation
DSM	Design, supervision and contract management
DTC	Departmental Technical Committee
EA	Environment Assessment
EIRR	Economic Internal Rate of Return
EMF	Environmental Management Framework
EMP	Environmental Management Plan
ESMF	Environmental & Social Management Framework
ESMP	Environmental and Social Management Plan
ERD	Economic Relations Division
FAPAD	Foreign-Aided Projects Audit Directorate
FM	Financial Management
GDP	Gross Domestic Product
GIS	Geographical Information System
GoB	Government of Bangladesh
GRM	Grievance Redress Mechanism
Ha	Hectare
ICT	Information and Communication Technology
IDA	International Development Association
IMED	Implementation Monitoring and Evaluation Division
IPF	Investment Project Financing
IUFR	Interim Unaudited Financial Report
LGD	Local Government Division
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MGSP	Municipal Governance and Services Project
MLGRD&C	Ministry of Local Government, Rural Development and Co-Operatives
NMT	Non-motorized transport
O&M	Operations & Maintenance
PC	Planning Commission
PCR	Physical Cultural Resources
PD	Project Director
PDO	Project Development Objective

PIM	Project Implementation Manual
PIC	Project Implementation Committee
PIU	Project Implementation Unit
PPSD	Project Procurement Strategy for Development
PSC	Project Steering Committee
RAP	Resettlement Action Plan
RP	Resettlement Plan
RPF	Resettlement Policy Framework
RMS	Results Measurement System
SCD	Systematic Country Diagnostic
SDGs	Sustainable Development Goals
SIA	Social Impact Assessment
SORT	Systematic Operations Risk-Rating Tool
STEP	Systematic Tracking of Exchanges in Procurement
TORs	Terms of References
WB	World Bank



**BASIC INFORMATION**

Country(ies)	Project Name	
Bangladesh	Dhaka City Neighborhood Upgrading Project	
Project ID	Financing Instrument	Environmental Assessment Category
P165477	Investment Project Financing	B-Partial Assessment

**Financing & Implementation Modalities**

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Disbursement-linked Indicators (DLIs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	

Expected Approval Date	Expected Closing Date
28-Mar-2019	30-Jun-2024

Bank/IFC Collaboration
No

**Proposed Development Objective(s)**

To enhance public spaces and improve urban services in selected neighborhoods in Dhaka.



### Components

Component Name	Cost (US\$, millions)
Public space enhancements	97.30
Place management, urban planning and project implementation support	8.70

### Organizations

Borrower:	People's Republic of Bangladesh
Implementing Agency:	Dhaka South City Corporation

### PROJECT FINANCING DATA (US\$, Millions)

#### SUMMARY

Total Project Cost	106.00
Total Financing	106.00
of which IBRD/IDA	100.50
Financing Gap	0.00

#### DETAILS

##### World Bank Group Financing

International Development Association (IDA)	100.50
IDA Credit	100.50

##### Non-World Bank Group Financing

Counterpart Funding	5.50
Borrower/Recipient	5.50



**IDA Resources (in US\$, Millions)**

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
National PBA	100.50	0.00	0.00	100.50
<b>Total</b>	<b>100.50</b>	<b>0.00</b>	<b>0.00</b>	<b>100.50</b>

**Expected Disbursements (in US\$, Millions)**

WB Fiscal Year	2019	2020	2021	2022	2023	2024
Annual	0.50	4.25	10.00	19.00	29.00	37.75
Cumulative	0.50	4.75	14.75	33.75	62.75	100.50

**INSTITUTIONAL DATA**

**Practice Area (Lead)**

Social, Urban, Rural and Resilience Global Practice

**Contributing Practice Areas**

Transport, Water

**Climate Change and Disaster Screening**

This operation has been screened for short and long-term climate change and disaster risks

**Gender Tag**

**Does the project plan to undertake any of the following?**

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF

Yes



b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment	Yes
c. Include Indicators in results framework to monitor outcomes from actions identified in (b)	Yes

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Rating
1. Political and Governance	● High
2. Macroeconomic	● Moderate
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Moderate
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● High
7. Environment and Social	● Substantial
8. Stakeholders	● Substantial
9. Other	
10. Overall	● Substantial

**COMPLIANCE**





**Policy**

Does the project depart from the CPF in content or in other significant respects?

Yes  No

Does the project require any waivers of Bank policies?

Yes  No

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	✓	
Performance Standards for Private Sector Activities OP/BP 4.03		✓
Natural Habitats OP/BP 4.04		✓
Forests OP/BP 4.36		✓
Pest Management OP 4.09		✓
Physical Cultural Resources OP/BP 4.11	✓	
Indigenous Peoples OP/BP 4.10		✓
Involuntary Resettlement OP/BP 4.12	✓	
Safety of Dams OP/BP 4.37		✓
Projects on International Waterways OP/BP 7.50		✓
Projects in Disputed Areas OP/BP 7.60		✓

**Legal Covenants**

Sections and Description

Financing Agreement - Section I.A.1 of Schedule 2 - Implementation Arrangements (Project Steering Committee): By no later than three (3) months after the Effective Date, the Recipient, through the LGD, shall establish and thereafter maintain, throughout the period of implementation of the Project, a Project steering committee with a mandate, functions, composition and resources satisfactory to the Association.



Sections and Description

Financing Agreement - Section I.A.1 of Schedule 2 - Implementation Arrangements (Project Implementation Unit): The Recipient through DSCC shall establish and thereafter maintain, throughout the period of implementation of the Project, a Project implementation unit, with functions and resources satisfactory to the Association. The unit shall be headed by a full-time Project director, who shall be assisted by a deputy Project director; both such officials to be appointed by no later than one (1) month after the Effective Date. The said Project implementation unit shall be assisted by staff in adequate numbers and with qualifications, experience and terms of reference satisfactory to the Association, to be appointed/engaged by no later than (3) months after the Effective Date.

Sections and Description

Financing Agreement - Section I.B of Schedule 2 - Implementation Arrangements (Project Implementation Manual): By no later than four (4) months after the Effective Date, the Recipient shall adopt and thereafter maintain, throughout the period of implementation of the Project, the Project Implementation Manual, in a manner satisfactory to the Association. The Recipient shall carry out the Project (including the Subprojects) in accordance with the provisions of the Project Implementation Manual in a manner satisfactory to the Association.

Sections and Description

Financing Agreement - Section I.C of Schedule 2 - Implementation Arrangements (Subprojects): The Recipient through DSCC shall ensure that only those Subprojects selected, prepared and implemented in accordance with the requirements set out in the Project Implementation Manual, EMF and RPF, shall be financed out of the proceeds of the Financing.

Sections and Description

Financing Agreement - Section I.E.1 of Schedule 2 - Implementation Arrangements (Safeguards): The Recipient shall ensure that the Project (including the Subprojects) is carried out in accordance with the provisions of the EMF, the RPF and all Safeguard Assessments and Plans and the requirements of the Grievance Redress Mechanism.

Sections and Description

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Financing Agreement - Section I.E.2 of Schedule 2 - Implementation Arrangements (Safeguards):

The Recipient shall: (a) prior to the commencement of any proposed Project activity (including any Subprojects), proceed to have Safeguard Assessment and Plans prepared, adopted and disclosed in a manner acceptable to the Association; (b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Safeguard Assessment and Plan; and (c) in the case of any resettlement activity under the Project involving Affected Persons, ensure that no displacement shall occur before necessary resettlement measures consistent with the RP applicable to such activity have been executed.

Sections and Description

Financing Agreement - Section I.E.6 of Schedule 2 - Implementation Arrangements (Safeguards): Prior to the hiring/engagement of any consulting services for the provision of technical assistance in relation to the activities under Part 2.2 of the Project, the Recipient shall ensure that the terms of reference for any such consulting services incorporate the applicable international performance, technical, environmental and social standards set forth in the Association's Safeguards Policies then in force, that might be relevant to the technical support provided, or advice conveyed, through such consulting services.

Sections and Description

Financing Agreement - Section I.F of Schedule 2 - Implementation Arrangements (Land Expenditures):

The Recipient shall: (a) ensure that the following expenditures are financed exclusively out of its own resources and not out of the proceeds of the Financing; and (b) provide, promptly as needed, the resources needed for this purpose: (i) all costs associated with land and land use rights required for the purposes of the Project if any; (ii) all resettlement and rehabilitation compensation and other assistance to the Affected Persons, in each case in accordance with the RPF and the relevant RP.

**Conditions**



BANGLADESH  
Dhaka Urban Upgrading Project

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## I. STRATEGIC CONTEXT

### A. Country Context

1. Bangladesh is one of the world's most populous country with an estimated 165 million people in a geographical area of about 144,415 sq.km and per capita income of US\$1,670 in 2018<sup>1</sup>, well above the lower middle income country category threshold which it crossed in FY14. During recent years, economic conditions improved in the country. However, headline inflation increased to 5.8 percent in FY18, from 5.4 percent in FY17, reflecting increases in food prices due to supply shocks. Fiscal deficit was contained at around 4.5 percent of Gross Domestic Product (GDP) in FY18. The FY18 budget targets 5 percent deficit with 26.2 percent growth in expenditures. The current account deficit increased to 3.5 percent of GDP in FY18. The GDP grew well above the average for developing countries in recent years, averaging 6.5 percent since 2010, with an officially estimated growth of 7.86 percent in FY18, driven by manufacturing and construction. Progress on reducing extreme poverty and boosting shared prosperity through human development and employment generation has continued with the poverty incidence based on the international \$1.90 per capita per day poverty line (measured on the basis of the Purchasing Power Parity exchange rate) declining from 44.2 percent in 1991 to a 14.8 percent in 2016 (latest available poverty data). In the World Bank's Human Capital Index 2018, Bangladesh performed better than the South Asian average as well as the Lower Middle-Income average in all criteria except for Stunting. With current education and health conditions, a child born today in Bangladesh will be 48 percent as productive as she could have been. Bangladesh's performance against the Millennium Development Goals (MDG) goals was impressive relative to the South Asia Region average for most of the indicators. Such progress notwithstanding, the pace of poverty reduction and the rate of job creation has slowed since 2010. Bangladesh needs stronger effort in making growth more inclusive and sustainable to meet its target of eliminating poverty by 2030 and attaining the Upper Middle Income status by 2031. For accelerating private sector-led growth with improved investment climate, the key challenges are the need for increased infrastructure and power, with much improved quality in spending public resources, better regulations and enhanced skills of its vast and rapidly increasing labor force.

2. Bangladesh is the country most vulnerable to climate change, as per the Global Climate Risk Index. By 2050 more than 5 million poor will be vulnerable to the effects of climate change. The country is likely to be negatively affected by sea level rise and saltwater intrusion, average temperature increases, rainfall variability and increased frequency and intensity of extreme weather events. Dhaka, in particular, faces a high risk of urban flooding due to four major rivers surrounding it, the presence of a number of lakes, ponds and canals in the city, and poorly managed and clogged drainage systems.

### B. Sectoral and Institutional Context

3. The Dhaka Metropolitan Area (DMA) is the economic and political center of Bangladesh, and has been its engine of economic growth and job creation. Its role as an economic hub has led to rapid population growth, with the population increasing ten times in 40 years to about 18 million in 2015. This

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<sup>1</sup> Based on WB Atlas method.



has contributed to Bangladesh having one of the fastest rates of urbanization in South Asia. More than one-third of the country's urban population lives here, and it is one of the world's most densely populated cities with 440 persons per hectare, denser than Mumbai, India (310), Hong Kong, Special Administrative Region, China and Karachi, Pakistan (both 270).<sup>2</sup>

4. Dhaka is also one of the least livable cities in the world. It is ranked 137 out of 140 cities, the lowest for any South Asian city surveyed.<sup>3</sup> Livings standards in the many slums of Dhaka are worse than in rural areas, despite proximity to jobs. Only two-thirds of the city is covered with piped water, less than 1 percent of domestic sewage generated is treated, 60 percent of municipal solid waste is collected and little is disposed in a sanitary manner. Severe traffic congestion is endemic, a consequence of inadequate infrastructure and public transport relative to the high population and economic density. It is the world's fourth most polluted city, with air pollution levels 8 times higher than WHO guidelines.<sup>4</sup> Finally, public and open spaces – already limited due to the city's density – are declining as a share of land use. The low livability in Dhaka disproportionately affects vulnerable and excluded groups such as the poor, women and elderly.

5. The Dhaka City Neighborhood Upgrading Project (DCNUP) is a strategic entry point for the World Bank's (WB) long-term engagement with Government of Bangladesh (GoB) to transform Dhaka into a more livable and competitive city. The project will focus on Dhaka South City Corporation (DSCC) and will emphasize interventions that are designed through a collaborative process with beneficiaries, can be implemented quickly, and will deliver visible improvements to civic life by improving the livability, vibrancy and regeneration of neighborhoods. It will finance improvements in public spaces<sup>5</sup> such as streets, sidewalks, parks, open spaces and community centers. GoB and the WB have identified certain priority areas for "rapid results" through consultations with civil society, thinktanks and urban professionals. These include: improving pedestrian safety and mobility, enhancing open and green spaces, particularly in low-income neighborhoods, and revitalization of waterfront areas. Stakeholders stressed the importance of designing safe and inclusive spaces for women, providing public toilets, managing solid waste, and improving drainage.

6. Improving walkability, accessibility, pedestrian and personal safety, and traffic management in Dhaka's public spaces can yield substantial benefits. The vast majority of trips in Dhaka, 65 percent, are made by non-motorized transport (NMT), such as walking (39 percent of modal share), bicycles, and rickshaws.<sup>6</sup> However, severe traffic congestion is partly caused by a high mode mix (non-motorized and motorized traffic sharing the same road space), poor road manners and driver discipline, ineffective traffic

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<sup>2</sup> Source: United Nations, World Urbanization Prospects: The 2014 Revision.

<sup>3</sup> Ranking by Economist Intelligence Unit (2017).

<sup>4</sup> Source: Environment Sector Briefs authored by World Bank Environment & Natural Resources Global Practice (2017).

<sup>5</sup> According to international practice, public spaces are classified into three main categories: (i) roads, streets and sidewalks; (ii) public open spaces like parks, waterfronts, playgrounds, plazas, squares, green areas etc.; and (iii) public buildings such as markets, bus and ferry terminals, community centers, libraries etc. A more detailed list can be found in UN-HABITAT Global Public Space Toolkit.

<sup>6</sup> Source: Transport Sector Briefs, World Bank Transport & ICT Global Practice (2017) based on "The Project on the Revision and Updating of the Strategic Transport Plan for Dhaka" by JICA and Dhaka Transport Coordination Authority (2016).



control, and encroachment on road spaces by parked vehicles and vendors.<sup>7</sup> More efficient use of the existing road space can reduce congestion in most parts of Dhaka and provide visible improvements to the urban landscape. In Dhaka women use non-motorized or small-scale transport modes (such as walking and non-motorized or auto rickshaws) as their main means of transport relatively more than men.

7. Access to and use of public spaces is a bigger challenge for women in Dhaka compared to men, which reduces their ability to participate in civic and economic life. Mobility, walkability and access for women is limited due to a mixture of poorly-planned infrastructure and services (such as lack of adequate pavements, sidewalks, streetlights/lighting, public toilets and dedicated open spaces), and prevailing socio-cultural norms. Perceptions of, and actual threats to, public safety limit women’s use and convenience of public spaces and facilities. 93 percent of Dhaka women do not use public toilets while 42 percent perceive the city’s parks to be unsafe.<sup>8</sup> Women in some project-selected areas of the city reported discomfort in sending their girl children to parks and streets, with open spaces crowded with men after dark and lack of streetlighting impacting safety and walkability.

### C. Relevance to Higher Level Objectives

8. The project is consistent with the WB’s Country Partnership Framework (CPF) FY16-20 discussed by the Board on April 5, 2016 (No.103723-BD). It will contribute to Objective 1.3: “improve delivery of basic services in urban areas”. To a lesser extent, it will also contribute to Objective 1.2: “improve transport connectivity”; and Objective 3.1: “increase resilience of population to natural disasters in urban and coastal areas”.

9. The project supports WB’s twin goals of reducing extreme poverty and increasing shared prosperity. It will contribute to local economic and social development by improving access, utilization of urban spaces by businesses and citizens, and access to administrative services, with special attention to poorer neighborhoods. It will also directly contribute to Sustainable Development Goal (SDG) 11, “Making cities inclusive, safe, resilient and sustainable” especially Target 7 of Goal 11 which is “to provide universal access to safe, inclusive, and accessible green and public spaces, particularly for women and children, older persons, and persons with disabilities”.

10. It will benefit lower income groups, women and children who are expected to be the primary users of improved public spaces. The lack of public, open and green spaces for leisure and civic activity disproportionately affect the poor. Neighborhoods of Dhaka selected for inclusion in the project are primarily low, lower-middle and middle income.

## II. PROJECT DESCRIPTION

### A. Project Development Objective (PDO) Statement

11. To enhance public spaces and improve urban services in selected neighborhoods in Dhaka.

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<sup>7</sup> JICA study.

<sup>8</sup> Action Aid (2015), “Women and the City III”.



### PDO Level Indicators

12. The PDO-level outcome indicators are the following:
  - a. Percentage increase in the number of people accessing enhanced public spaces (disaggregated by gender);
  - b. Total number of people provided with improved urban living conditions (disaggregated by gender).<sup>9</sup>

### B. Project Components

13. The project is comprised of two components: (i) public space upgrading; and (ii) urban management, capacity building and implementation support.

#### **Component 1: Public Space Enhancements (Total cost US\$97.3 million; IDA share US\$92.5 million)**

##### ***Subcomponent 1.1: Neighborhood-Level Public Space Upgrading (Indicative share of Component 1: 95 percent)***

14. This subcomponent will finance improvements in public spaces clustered within selected neighborhoods of DSCC, to enhance their accessibility, usability, safety, attractiveness and disaster and climate resilience; improve mobility and pedestrian access to key destinations; and improve traffic safety through the carrying out of subprojects including: (i) the development of detailed engineering and architectural designs of subprojects based on concept designs; (ii) the provision of engineering supervision and contract management for the subprojects; and (iii) the preparation of safeguards assessments and plans for the subprojects.

15. Public spaces are open areas or structures which are publicly owned or accessible and available to the general public for use. These can be broadly grouped into: (i) open and green spaces, such as parks, playgrounds, plazas, squares and waterfronts; (ii) streets and pedestrian connections, such as streets, sidewalks, footpaths and bike paths; and (iii) public buildings and amenities, such as community centers, markets, libraries and public toilets. This subcomponent will include a focus on the needs of vulnerable users of public spaces such as women, youths, elderly and disabled.

#### Neighborhood Selection

16. Investments to be financed under this component will be located in four neighborhoods of Dhaka, namely: (i) Kamrangir Char; (ii) Lalbagh; (iii) Sutrapur-Nayabazar-Gulistan; and (iv) Khilgaon-Mugdha-Bashabo. These neighborhoods, falling within the jurisdiction of DSCC, were selected through a series of

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<sup>9</sup> This is a Corporate Results Indicator for urban sector projects and measures the number of people living in urban areas provided with access to any of the following improved urban living conditions: services, housing, tenure, neighborhoods, public spaces, parks, resilience, and/or urban environmental conditions. The underlined will qualify as improvements under this project. The number of people will be counted as those living within 500 to 1000 meters of the improved area (as applicable).





structured consultations with stakeholders<sup>10</sup>. These neighborhoods showed a high potential to demonstrate the impact of improved public spaces and livability, and for community engagement.

#### Subproject Screening and Appraisal

**17.** Within the four selected neighborhoods, specific subprojects will be selected, screened, designed and appraised as part of a framework approach. The implementing agency will select, screen and design each subproject considered for financing, and submit to the WB for formal appraisal on a rolling basis, until all project funds allocated to the components have been committed. Subprojects will be implemented upon successful appraisal of each package by the WB as per the agreed criteria. Subprojects will be appraised by the WB using all of the following criteria:

- a. **Contribution to project objectives.** Subprojects must contribute to the development objective of the project;
- b. **Citizen/community engagement.** Subprojects will undertake a participatory approach<sup>11</sup> during design to solicit and incorporate feedback via systematic citizen/community consultations. They will also consider further involvement of organized residents groups in oversight and maintenance of improved public spaces;
- c. **Technical feasibility.** Subprojects must be technically feasible, including appropriateness, quality of detailed designs and readiness for implementation;
- d. **Economic viability.** Subprojects must achieve an acceptable economic internal rate of return (EIRR)<sup>12</sup>; or where determination of EIRR is not feasible due to the nature of the subproject or data constraints, subprojects must meet cost-effectiveness, supported by an analysis comparing the proposed investment to similar subprojects;
- e. **Environmental and social safeguards.** The subproject will have no major or irreversible environmental and social impacts, and no land acquisition;
- f. **Clearances and approvals.** All necessary clearances and approvals for implementing the subproject, including the detailed urban design, traffic management plan, necessary environment and construction permits, and approvals / “No Objections” from other land-owning/land-managing agencies or other relevant agencies have been obtained, and maintenance responsibilities are clearly articulated; and
- g. **Subproject operations & maintenance, programming and place-making.** Evidence that Operations & Maintenance (O&M) costs of subproject is sustainable and can reasonably

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<sup>10</sup> Consultations were conducted as part of a structured citizen engagement framework, including public consultations to validate the need for public space improvement in Dhaka, followed by a workshop with counterparts to identify potential neighborhoods. This was followed by an internal screening by DSCC and WB to ensure feasibility, and then citizen-level consultations were held in each shortlisted neighborhood to validate user needs and refine potential subprojects.

<sup>11</sup> A citizen engagement framework has been proposed to ensure that citizens are consulted for the neighborhood concept urban designs as well as subproject design.

<sup>12</sup> The threshold economic IRR can be determined using the methodology and guidance provided in WB’s guidance note “Discounting Costs and Benefits in Economic Analysis of World Bank Projects” (2016).



be borne by DSCC<sup>13</sup>. Evidence will also be provided to show that arrangements have been put in place for managing, programming and place-making of new public space assets where appropriate.

18. The typology and indicative types of subprojects to be financed are listed in Table 1.

#### Pilots and Behavior Change Activities

19. Where feasible, selected subprojects will pilot the following innovation:

- a. **Mixed-use integrated community centers with green building features, and designated facilities for women.** DSCC owns and maintains numerous community centers that are dilapidated, unused or under-used (e.g. “single use” buildings that do not utilize space efficiently). There is an opportunity to: (i) co-locate multiple uses within the same building to provide a broader range of services for the surrounding community such as: public toilets (including separate toilets for women); multi-purpose halls; health centers; police posts for safety, security and prevention of harassment, Information and Communication Technology (ICT)-based citizen facilitation centers, co-working spaces and integration with adjacent parks and open spaces; (ii) integrate green building features such as: rainwater harvesting, solar panels, passive heating and cooling features and consolidated waste collection points; and (iii) provide designated spaces and programmed activities for women in these community centers such as: day-care for working mothers’ children; help-seeking points for women; and clubs and community spaces / activities for recreation for women; if found feasible during sub-project appraisal.
- b. **Traffic management pilots at selected locations.** Within the selected neighborhoods, opportunities will be explored as part of subprojects to better organize vehicular and pedestrian flows to provide safer, more accessible and usable public spaces.
- c. **Behavior change, awareness and place management.** To maintain improved public space assets, the project will implement a three-pronged approach: (i) improving place management and maintenance of facilities such as parks and community centers; (ii) creating public awareness through communications campaigns, including: (a) information to citizens on the use, maintenance and sustainability of the newly-created and improved spaces and facilities; and (b) information on existing redress mechanisms for gender-based violence and harassment in public spaces; and (iii) piloting behavior change in selected subprojects such as improving “eyes on the street<sup>14</sup>”, avoiding “broken window” syndrome<sup>15</sup> and promoting the normalization of use of these spaces and improved streets by marginalized groups, especially women. These activities will be financed under

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<sup>13</sup> Can be reasonably borne by DSCC without having a substantial impact on its budget, or that reasonable alternative arrangements are being proposed for O&M, such as outsourcing to private or non-profit entities, management contracts, or other similar arrangements.

<sup>14</sup> Urban development theory and practice indicates that urban neighborhoods are safer when there are “eyes on the street”, referring to residents/shopkeepers who are naturally drawn to street life, and in the course of their activities, monitor the street. Where there are no “eyes on the street” urban spaces are deserted, more likely to be unsafe, and poorly maintained.

<sup>15</sup> The “broken windows” theory is a criminological theory that visible signs of crime, anti-social behavior and civil disorder create urban environments which encourages further crime and disorder, including serious crimes.



subcomponents 1.1, 1.2 and 2.1, and will be directly linked to public spaces upgraded under Component 1 as an integrated set of activities.

20. A draft Project Implementation Manual (PIM) has been prepared which describes in detail all operational and implementation aspects of the project, including neighborhood selection criteria; procedures for site analysis of specific subprojects within each selected neighborhood; subproject development and appraisal methodology; concept designs for potential interventions based on overall typology of interventions; summary of consultations with local communities; and Terms of References (TORs) for consultancies needed for the project. The PIM will be a “living” working document which will be regularly updated during the project implementation.

***Subcomponent 1.2: City-wide Pilot Traffic Management Improvements  
(indicative share of Component 1: 5 percent)***

21. This subcomponent will finance the improvement of selected traffic intersections within DSCC on a pilot basis through the carrying out of subprojects, including: (i) the development of broad intersection management strategies to be developed jointly by DSCC and Dhaka Metropolitan Police (DMP), including a traffic management plan, an operations plan, a traffic signals improvement plan, and a physical layout plan of existing intersections; and (ii) the carrying out of civil works for implementing said broad intersection management strategies and associated plans, to be jointly developed by DSCC and DMP, including improved intersection geometry, allocation and demarcation of space for various users, access and walkability for pedestrians.

22. This subcomponent will also finance the provision of technical assistance for carrying out a behavior change / awareness program for all types of road users on traffic awareness, regulations and behaviors and for providing technical assistance and training to DSCC and DMP to identify critical traffic bottlenecks in local areas and improving street designs for traffic safety.

23. The behavior change / awareness program, targeted at all street and road users (such as drivers, vehicle owners, pedestrians and other users) will emphasize the rights of pedestrians and marginalized users, especially women, elderly, youths and disabled, to make roads and streets safer and more convenient for them<sup>16</sup>. The program will use various channels of communication such as social media, mass media (TV, radio, newspapers), and public interaction to complement enhanced enforcement by DMP. It will also finance technical assistance, training and capacity building to DSCC and DMP to identify critical traffic bottlenecks in local areas, and to improve street designs for traffic safety. All activities under this component will be implemented and executed by DSCC, and will be done in close collaboration with DMP, as per the jointly developed plans.

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<sup>16</sup> This could include, in selected places, public awareness campaigns on good street manners and behaviors (e.g. giving way and seating to pregnant women and disabled persons; as well as permanent signage in public spaces on good behavior and how to seek help if harassed. Other placemaking measures will be determined during project preparation.



Table 1: Indicative types of public space subprojects to be financed under Component 1

Streets & pedestrian connections (~32%)	Open and green spaces (~25%)	Public buildings & amenities (~43%)
<ul style="list-style-type: none"> <li>• Paved streets and expanded sidewalks to improve walkability and access, especially for women, disabled and the elderly</li> <li>• Street furniture and landscaping including tree plantation</li> <li>• Covering of exposed street level drainage and sewage channels</li> <li>• Energy-efficient streetlighting to improve personal safety and access, especially for women and youths</li> <li>• Improved bridges for better NMT connectivity</li> <li>• Improved traffic management, pedestrian crossings and signalized intersections</li> </ul>	<ul style="list-style-type: none"> <li>• Recreational facilities, such as parks and playground with landscaping, sidewalk furniture and tree plantation; some of these spaces will have designated spaces for women where appropriate</li> <li>• Resilient and “green” infrastructure for improved storm water management and erosion control on/around river, pond and lake embankments</li> <li>• Upgrading existing solid waste collection sites and developing public education/outreach to improve collection and sorting</li> <li>• Public toilets, including separate toilets for women</li> <li>• Reorganization of mobile vendors with improved facilities</li> <li>• Wayfinding signs and signs to provide information on existing helplines or services to report cases of harassment, or perception of danger</li> <li>• Placemaking and place management investments/activities</li> </ul>	<ul style="list-style-type: none"> <li>• Multipurpose community centers with green building features such as rainwater harvesting, solar panels and energy efficient design principles and materials</li> <li>• Community centers with designated spaces and programmed activities for communities and women groups, where appropriate</li> <li>• Integrated public toilets, including separate toilets for women; and childcare facilities</li> <li>• Amenities such as police posts for safety and security, and health clinics to serve communities</li> <li>• Plans for efficient O&amp;M of upgraded public facilities and spaces</li> </ul>

Note: The indicative financing for each category of subprojects is shown as a percentage share of the total for Component 1.

**Component 2: Place Management, Urban Planning and Project Implementation Support (total cost US\$8.7 million; IDA share US\$8.0 million)**

24. This component will finance: (i) activities related to asset management, O&M and place management of newly-improved public space assets of DSCC; (ii) feasibility studies, conceptual and detailed designs and other preparation activities for follow-on investment projects; and (iii) costs associated with project implementation, including incremental operating costs, training, technical advisory, goods- and services-related procurement for the Project Implementation Unit (PIU), and monitoring and evaluation of project results.

**Subcomponent 2.1: Asset Management, Operations and Maintenance, and Place Management**

25. This subcomponent will finance the provision of technical assistance to enhance DSCC’s capacity for managing assets and operating and maintaining public spaces developed under the project, including: (i) the development and operationalization of detailed operations and maintenance plans for newly-developed public spaces; (ii) the development and implementation of a place management strategy for implementing a coordinated, area-based, multi-stakeholder approach to improve the use of said public spaces and vibrancy and inclusion in the selected neighborhoods; and (iii) the development of modalities



for outsourcing the management and operations of said public spaces to the private sector or non-profit entities.

***Subcomponent 2.2: Urban Planning and Feasibility Study for Upgrading Unplanned Areas***

26. This subcomponent will finance the provision of technical assistance for carrying out a comprehensive urban planning strategy, identifying critical investment projects and carrying out feasibility studies, to improve municipal services in selected neighborhoods. These can include unplanned areas that have been recently added to DSCC jurisdiction, such as Kamrangir Char. Investments identified under these studies may be financed by a follow-on project.

***Subcomponent 2.3: Support to Project Management and Implementation***

27. This subcomponent will support for carrying out project management and implementation activities, including: (a) the carrying out of monitoring and evaluation activities and associated training; and (b) the provision of technical assistance for strengthening DSCC's financial capacity. This will include incremental operating costs; procurements of goods and services for DSCC; consultancy services for results monitoring and evaluation (M&E); and relevant training. It will also strengthen the financial management capacity of DSCC by financing turnkey consultancy services for implementing a digital accounting system at DSCC, including accounting software, to assist in automated financial reporting and improved internal audit.

Climate Change Co-benefits

28. Public space improvements are expected to result in large climate co-benefits for Dhaka. Subprojects under Component 1 fall into the following three categories with relevance to climate change adaptation and mitigation (see Table 1, with subcomponents 1.1 and 1.2 accounting for an indicative 95 percent and 5 percent of total Component 1 financing, respectively):

- a. ***Streets and pedestrian connections.*** Paving of selected streets and widening of sidewalks, covering of exposed street-level grey water drainage channels, installation of energy efficient streetlighting and the construction of pedestrian bridges. Street improvements and covered drainpipes will reduce the accumulation of water in streets and intersections. New footbridges and upgrading the surface and width of sidewalks and narrow streets will improve pedestrian accessibility, mobility and safety. Improvements in traffic management will also reduce congestion and vehicle idling in key intersections.
- b. ***Open and green spaces.*** Including landscaping for parks, river bank restoration and planting. These features will contribute to flooding mitigation by capturing precipitation and runoff, stabilizing soils and slowing water-based erosion using bioswales, new trees and other features. Existing solid waste transfer facilities adjacent to parks and public buildings will be upgraded to improve transfer service and strengthen public awareness about solid waste management to reduce the accumulation of garbage on streets and drains around these sites.
- c. ***Public buildings and amenities.*** Rehabilitation of existing or construction of new multipurpose community center buildings incorporating green building features such as solar panels, rainwater harvesting, energy efficient design and materials and passive heating/cooling features. These design features should reduce the overall energy



footprint of the facilities significantly in terms of the draw from power and water networks, given that current building codes do not consider energy and water efficiency as a requirement.

Citizen Engagement and Gender

29. Each subproject will be designed through an inclusive process of community participation and participatory planning. Feedback will be solicited from beneficiaries and a broad set of stakeholders at the design stage, to ensure that subprojects are responsive to needs and preferences of end-users. Consultations will include vulnerable and excluded groups such as women, elderly and youth, either through dedicated focus groups (especially for women) or other appropriate means. These consultations will also help build and community support of subprojects and activities. In addition to consultations and participatory planning, further citizen engagement (CE) measures included in the project are the following: citizen feedback (also embedded in the results framework of the project); community oversight and management where selected subprojects will consider involvement of organized community groups for oversight and maintenance; and grievance redress mechanisms (GRM).

30. A round of community consultations has already taken place in the selected neighborhoods on the project concept and typology of subprojects, including separate consultations with women in some neighborhoods. Community representatives in all neighborhoods endorsed the project concept and nature of subprojects and activities, and provided specific recommendations. Specific consultations with women in the selected neighborhoods have informed the menu and typology of public space improvements to be financed by the project, and include measures to reduce identified gender gaps to the extent possible. Public space enhancements will benefit women by improving their access, mobility and security.

**C. Project Cost and Financing**

Project Components	Project cost (US\$ million)	IDA Financing (US\$ million)	Counterpart Funding (US\$ million)
Component 1: Public space enhancements	97.3	92.5	4.8
Component 2: Place management, urban planning and project implementation support	8.7	8.0	0.7
Total Cost	106.0	100.5	5.5
Total Financing Required		100.5	5.5

31. Counterpart financing will flow to the project as parallel financing which will include, but will not be limited to, costs associated with any project-related resettlement and implementation of resettlement plans (RP), including compensation to project-affected people and procurement of services to oversee RP implementation. IDA will finance taxes no more than 15 percent of the total credit proceeds and anything over and above 15 percent on account of taxes will be borne by the Government. Salaries of government staff, sitting allowances, honorarium and fuel costs will flow to the project as parallel financing from the



counterpart. Retroactive financing will be available under the project for an amount up to US\$5 million for eligible expenditures incurred, subject to terms and conditions outlined in relevant sections of this document.

#### D. Project Beneficiaries

32. The project will benefit an estimated 1 million people—residents, businesses, visitors and commuters who frequent the selected neighborhoods – of whom approximately half will be women.<sup>17</sup> The estimated beneficiaries are disaggregated by neighborhood as follows: (i) 120,000 people in Kamrangir Char neighborhood; (ii) 210,000 people in Lalbagh neighborhood; (iii) 380,000 people in Sutrapur–Nayabazar-Gulistan neighborhood; and (iv) 290,000 people in Khilgaon-Mugdha-Bashabo neighborhood. DSCC will be the main beneficiary institution of the project’s institutional development activities.

#### E. Lessons Learned and Reflected in the Project Design

33. The project builds on work undertaken through the ongoing Municipal Governance and Services Project (MGSP) and recent analytical work of Dhaka Metropolitan Transformation Platform. It also incorporates lessons learned from similar WB projects in Sri Lanka and Pakistan<sup>18</sup>. These projects have been able to show “rapid results” to build initial confidence and a way to build relationship for future and more challenging projects. The work also aligns with other ongoing and under-preparation WB projects in Dhaka.

34. A strong focus on functional public spaces, pedestrian-friendly neighborhood upgrading and livability improvements can be catalysts for urban transformation, as shown by international experience. In Medellin (Colombia), the city transformed urban livability and mobility in poor neighborhoods by creating inclusive public spaces, public libraries and the innovative use of cable cars and escalators. In Singapore, careful planning and integration of green spaces in neighborhoods improved livability and vibrancy in a high-density urban setting. WB-financed urban upgrading projects in Nigeria and Vietnam demonstrated the value of strong and sustained community involvement. These experiences have also shown that engaging a variety of stakeholders including community groups, private sector and non-profits, throughout the design process assist in building shared ownership for long-term success. The project has targeted local areas investments and aims to leverage engagement of these neighborhood communities.

### III. IMPLEMENTATION ARRANGEMENTS

<sup>17</sup> Based on the assumption that women comprise 50 percent of the population of the beneficiary area comprises.

<sup>18</sup> Sri Lanka: Strategic Cities Development Project, and Pakistan: Karachi Neighborhood Improvement Project.





#### A. Institutional and Implementation Arrangements

35. The project will be implemented by DSCC. It administratively reports to the Local Government Division (LGD) of Ministry of Local Government, Rural Development and Co-Operatives (MLGRD&C). LGD will be the nodal GoB ministry for the project. DSCC is currently implementing two WB-financed projects.

36. **Project Implementation Unit (PIU).** A PIU established in DSCC will have overall responsibility for implementing the project, including all technical, operational, environmental and social safeguards, procurement, financial management and communication/ public awareness activities. The PIU will be headed by a Project Director (PD) who shall be assisted by a Deputy Project Director. The PIU shall comprise of specialists (including individual consultants) in the following areas: technical (urban planning and design, civil engineering, traffic management and heritage conservation), fiduciary, environmental and social safeguards, stakeholder communication, monitoring and evaluation and administration. These will be recruited externally or deputed from the parent department as required. The PIU will also be supported by a number of relevant consultancy firms as needed. The PIU will be responsible for: (i) coordinating the day-to-day implementation of all project activities; (ii) handling the procurement, financial management, and environmental and social safeguards management of the project; (iii) carrying out the overall monitoring and evaluation of project activities; and (iv) reporting periodically on implementation progress to LGD and the WB.

37. **Project Steering Committee (PSC).** A PSC will provide overall project oversight. The PSC will be chaired by Secretary, MLGRD&C with senior officials not below the rank of Joint Secretary / Joint Chief from LGD, Finance Division, Planning Commission (PC), ERD, Implementation Monitoring and Evaluation Division (IMED), DSCC, DMP and other relevant agencies as members. The committee will meet once every three months, or more often if required, and may co-opt additional members if necessary, for the review of project implementation. The PD will act as member-secretary of the committee. The responsibilities of the PSC will be as follows: (i) providing oversight and policy guidance during project implementation and ensuring sustainability of project interventions; (ii) reviewing and endorsing the project's annual work plans and budgets; (iii) facilitating inter-agency coordination to ensure adherence to project objectives; (iv) resolving disputes or conflicts related to the project if any; (v) approving any policy, regulatory and institutional recommendations for the project; (vi) to approving changes in project implementation arrangements/parameters; and (vii) undertaking policy decisions, if needed, for ensuring smooth implementation of the project. PSC will also facilitate timely availability of GoB share of project financing and timely approvals for project-related matters pertaining to agencies included in the committee, where relevant.

38. **Project Implementation Committee (PIC).** A PIC established within DSCC will provide technical assistance for the implementation of the project. It will be chaired by the Chief Executive Officer of DSCC, and representatives from LGD, PC, ERD, IMED and DSCC as members. The committee will assist the PIU to ensure smooth implementation, and to monitor and review the physical progress of the project. The Deputy Project Director will be member secretary of the PIC. The committee will meet at least once every three months, and may co-opt additional members, if necessary.

39. The PIU at DSCC will receive IDA funds based on transaction-based (SoE-based) disbursement. It will document eligible expenses monthly using the WB's system, and will request for an initial advance to meet expenses based on the ceiling stated in the disbursement letter. Thereafter withdrawal applications can be submitted based on SoE. IDA funds will be disbursed through a single Designated Account (DA),





which will be maintained by DSCC in a commercial bank in accordance with approved GoB procedures governing the establishment of DAs. According to existing practices of DSCC, authorized signatories will operate the DA. All payments will be managed centrally and the PD, or any other appropriate authority allowed under the Delegation of Financial Powers regulations of the government, will be the approving authority for all project expenses. Interim Unaudited Financial Reports (IUFs), prepared and submitted quarterly by DSCC, will capture all expenses made from the DA. DSCC will maintain separate books of accounts and records for counterpart financing (to be reflected in the quarterly IUFs), and will open and operate a separate bank account for the same.

40. **Role of DMP during implementation.** All activities involving collaboration with DMP will be implemented and executed by DSCC with technical and, where needed, written input from DMP. Provision of any training or capacity building of DMP will also follow the overall project implementation arrangements, and DMP will have no direct fund management role.

## **B. Results Monitoring and Evaluation**

41. The PIU will be responsible for project M&E and progress reporting. It will have a full-time M&E staff (individual consultant) to monitor overall project performance, outputs and outcomes, including performance on citizen engagement and gender, and report on the achievement of the results framework. It will also hire a consultancy firm to assist in project M&E and to report on the above-mentioned activities, including data collection for results reporting and achievement of PDO as per detailed methodology on outlined in the PIM. A design, supervision and contract management (DSM) firm hired by the PIU for the project will prepare, monitor and oversee satisfactory implementation of safeguard instruments such as Environmental Management Plans (EMPs) and RPs for subprojects.

42. Semester and annual progress reports, in a format agreed with the WB, will be submitted to the WB no later than 45 days after the end of each calendar semester, covering the calendar year. The annual progress reports will also provide information on indicators measuring achievement of the PDO. A mid-term review of the project will be undertaken and a report shall be submitted to WB, no later than 39 months from the Effective date.

## **C. Sustainability**

43. The project has strong institutional buy-in from DSCC and relevant GoB stakeholders. Consultations carried out during preparation validated the project scope by emphasizing the need for more open and green public spaces, a cleaner environment, and investments in pedestrian safety, mobility and improved traffic management in Dhaka. These were also endorsed by civil society and urban planning professionals. A CE framework has been established to ensure that consultations are carried out by the PIU in an inclusive manner during the design of each subproject.

44. The improvement of physical assets will result in the need for better asset management, operations and maintenance. The project will support DSCC to prepare multi-year O&M and placemaking plans for the improved public spaces. It will also prioritize low-maintenance solutions where feasible, such as solar-powered streetlights, durable material for hardscaping, and indigenous plant species with low water requirements. DSCC is envisaged to have full management control of the newly-created and



improved assets and will do regular O&M either from its operating budgets or via outsourcing, management contracts or partnership arrangements with private and non-profit operators. The impact of post-completion O&M costs on the operating budget of DSCC is not expected to be substantial. Further, expected increase in property values around the improved spaces can translate into higher property tax collections (known as “holding tax”) for DSCC.

#### **IV. PROJECT APPRAISAL SUMMARY**

##### **A. Technical, Economic and Financial Analysis**

45. The selection of the four neighborhoods was conducted objectively through a series of consultations with government stakeholders and professional groups, neighborhood visits and DSCC validation to ensure that these are generally feasible and avoid duplicating ongoing or planned city investments activities. The WB also provided assistance by utilizing rapid Geographical Information System (GIS) land use cover analysis of very-high resolution satellite imagery to identify neighborhoods that were deprived of public space amenities and areas with potential for strong demonstration effect. The neighborhoods selected include a balance of these characteristics.

46. The technical design of the project is considered to be sound. Conceptual designs have been developed for the four selected neighborhoods, which identify thematic zones and focus on accessibility (walkability), safety, and connectivity of public spaces. These also include ideas for integrated/multi-use community centers and other public spaces. These concept designs have been developed by internationally renowned urban design firms and contextualized to local requirements with strong input from local experts and counterparts. These designs were also discussed with the local community in the selected neighborhoods. Detailed engineering designs for civil works will be prepared following additional comprehensive consultation to incorporate stakeholder feedback. Subprojects will be financed only after they have been successfully appraised by the WB according to a robust screening criteria as outlined in the PIM.

47. Economic benefits from improved public spaces are difficult to monetize and attribute; however, international experience shows that they improve quality of life and social cohesion in the city. Rehabilitating roads and streets is expected to reduce travel times and improve access to jobs and other activities for citizens, especially for those using non-motorized and public transport. Improved drainage and waste management will lead to health benefits, such as lower health costs, reduced sick days and higher labor productivity in the area. Higher foot traffic and longer stays near improved areas will contribute to local economic development, by generating more business for local shop owners and mobile vendors. Civic life will improve due to the increased provision of recreational and open public spaces in the highly congested city. Streetlights will improve the security environment in the project area and increase the confidence of the community to participate in commercial and social activities after dark.

48. Economic analysis for each subproject will be conducted during their design and appraisal, based on standard methodology described in the PIM, and will be the basis for confirming that subprojects are economically viable. Data from recent WB-financed projects on urban public spaces improvement and integrated urban development show high EIRR in the range of 8-28 percent (China), 12-23 percent



(Karachi, Pakistan)<sup>19</sup> to 33 percent (Georgia), excluding positive externalities often attributed to public space improvements. Investments in urban roads and streets have yielded EIRRs ranging from 20 percent (Ethiopia) to 57 percent (Niger). Public space enhancements through solar-powered streetlights along roads and public places in a conflict-affected urban center in Pakistan yielded an EIRR of 32 percent. Subprojects in Dhaka are expected to have similar high economic returns.

## **B. Fiduciary**

### Financial Management (FM)

49. An FM capacity and risk assessment for the implementing agency has been conducted. FM will use country systems and procedures. FM performance of DSCC in the context of the ongoing WB projects is moderately satisfactory. The implementing agency understands the WB's policies and procedures but there is room for improvement. There are no pending financial reports or audit reports from the agency. The assessment has also considered the overall FM design of the project to mitigate possible risks. Specific procedures and agreed measures are mentioned in Annex 1. The project will also strengthen the FM capacity of DSCC by financing turnkey consultancy services for implementing a digital accounting system at DSCC – including accounting software – to assist in automated financial reporting and improved internal audit.

### Procurement

50. DSCC will conduct all procurement for the project. Total procurement expenditure of the project financed by IDA is about US\$98.6 million, with civil works (~87 percent) – urban public spaces and associated infrastructure, followed by consulting services (~12.5 percent) – including design and supervision of civil works, urban master planning, intersection improvement, communications and behavior change campaigns, M&E and individual consultants; goods (<1 percent) – including office equipment for implementation support; and non-consulting services (<1 percent) – for implementation support. All IDA-financed procurement shall be done in accordance with the requirements set forth or referred to in the WB's "*Procurement Regulations for Borrowers under Investment Project Financing (IPF)*", dated July 1, 2016 (and as subsequently revised). An assessment of procurement capacity and risks has identified the main risks to be the procurement process and contract management.

51. A Project Procurement Strategy for Development (PPSD) has been developed by DSCC in agreement with the WB. As an output of the PPSD, a procurement plan for the project has been prepared covering the period of the project. The PPSD is based on the nature of procurement activities, capacity of the procuring organization, prevailing market conditions, activity level risks etc. It describes the procurement arrangements for the project (e.g., procurement packaging strategy, method, bid evaluation methodology of the major procurement packages, timeline for procurement activities, contracting arrangement etc.) and includes risk mitigation measures. It is a live document and is to be updated at least annually. The Procurement Plan contains the procurement activities, diverse selection methods, market approach, contracting arrangements, estimated costs, WB's prior review requirements, timeline of activities, and other relevant conditions. Preliminary TORs have been developed by DSCC for all consultancy services listed in the procurement plan.

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<sup>19</sup> Reported EIRRs from Karachi (Pakistan) are estimates at subproject Appraisal Stage. All other reported EIRRs are estimates at Project Completion stage.



## C. Safeguards

### Environmental Safeguards

52. The project is classified as Category B and safeguard polices OP/BP 4.01 (Environmental Assessment) and OP/BP 4.11 (Physical Cultural Resources) are triggered. Since the nature, degree of impact, exact location and specific design of subprojects are not known at appraisal stage, a framework approach to environmental safeguards implementation has been adopted. An Environmental Management Framework (EMF) has been prepared to meet the requirements of Bangladesh's Environment Conservation Rules 1997, and WB policies and guidelines. It is anticipated from the scope of the project that significant irreversible environmental impacts will not be generated. Expected impacts are mostly construction related and include: disturbance of the aquatic habitat, contamination of land and water, loss of trees, noise from operation of construction machinery, air quality deterioration, worker's health and safety, etc. These impacts can be mitigated through proper design and implementation of relevant EMPs for each subproject. The framework includes all necessary guidelines for addressing environmental issues along with issues pertaining to physical cultural resources (PCR), and also contain the TOR for carrying out subproject-specific Environmental Assessment (EA) and EMPs. The PIU will hire with an environment specialist and a DSM consultant firm having environment expertise. All subproject EMPs will be reviewed and cleared by the WB before the subprojects are implemented. DSCC will also be responsible for getting necessary environmental clearance. The subproject-specific Environmental Codes of Practice and EMPs with cost and special environmental clauses will be incorporated in the procurement of civil works. Environmental issues will be integrated into the project GRM.

53. During implementation, if any subproject identifies PCR issues these will be taken into account by the EA and EMP. As an integral part of the EA process, the implementing agency will develop a "physical cultural resources management plan" consistent with the WB policy and national legislation that includes measures for avoiding or mitigating any adverse impacts on physical cultural resources, provisions for managing chance finds, any necessary measures for strengthening institutional capacity, and a monitoring system to track the progress of these activities.

54. The EMF and Resettlement Policy Framework (RPF), including the Bangla version of their executive summaries have been disclosed on DSCC website, and the full document (English) on the WB's website. Hard copies of the document will be available at site offices related to subproject implementation.

### Social Safeguards

55. Project interventions will be designed based on an inclusive process of public consultation and participation and are intended to have positive effects on the target communities by improving livability. Project activities will be limited within existing available lands and avoid acquisition of private lands. Attempts will be made to avoid neighborhood sites with high density of formal or informal settlers/squatters. But displacement of squatters and encroachers may not be completely avoidable in situations of critical design requirements. WB's policy on Involuntary Resettlement (OP/BP 4.12) has therefore been triggered for the project. DSCC has developed a standalone RPF to deal with any likely involuntary resettlement associated with the project.



56. **Resettlement Policy Framework (RPF).** The RPF provides guidance for social screening and, where necessary, to carry out detailed, site-specific social impact assessments (SIA) and subsequently prepare Resettlement Plans (RP) for project activities, once specific site locations are identified and designs are finalized. Given DSCC's limited capacity in managing social issues, the project will invest in strengthening social safeguard capacity at DSCC. The PIU will be responsible for managing social issues associated with the project including the use of existing land and associated involuntary resettlement issues. It will appoint a social safeguards specialist in addition to safeguard resources with the DSM Consultant. All costs related to resettlement, and to implement subproject RPs, will be borne by counterpart (GoB) share of project financing, and GoB will ensure timely availability of funds for this purpose. The RPF and the Bangla version of its executive summary have been publicly disclosed on DSCC website, and the full document (English) on the WB's website.

57. **Project-specific Grievance Redress Mechanism (GRM).** The project will establish a GRM to respond to queries, receive suggestions and address complaints and grievances about any disconnects and irregularities in application of the guidelines adopted in the EMF and RPF for inclusive project design, and assessment and mitigation of social and environmental impacts. The GRM will be an instrument where the communities will exercise their basic rights of participation in the project cycle through suggestions and complaints. Based on consensus, the procedure will help to resolve issues, saving the aggrieved persons from having to resort to expensive, time-consuming legal action, but will not pre-empt a person's right to take legal action. The GRM will be inclusive of key stakeholders including the project proponent as well as the beneficiaries and affected persons, and will be accessible to all stakeholders.

#### Other Safeguards

58. No other safeguards policies apply to the project.

#### Grievance Redress Mechanisms

59. **World Bank Grievance Redress.** Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, because of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate GRS, please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit <http://www.inspectionpanel.org>.

## V. KEY RISKS

### A. Overall Risk Rating and Explanation of Key Risks

60. The overall risk of the project is rated as Substantial.



61. Political and governance risk is High. Political competition between DSCC and other GoB agencies may hinder implementation. National elections are scheduled during the first year of implementation and may result in a changed political operating environment for DSCC. The next round of Mayoral elections may also take place during the life of the project. The project will support dialogue between DSCC and the community to build support for interventions to ensure strong community ownership to reduce the risk of political transition. Regular high-level engagement with DSCC and relevant agencies will aim to ensure continued support for the project.

62. Institutional capacity risk for implementation and sustainability is Substantial. Sustained availability of sufficient skilled staff at DSCC will be critical. The WB is working closely with DSCC to identify required skills for project implementation, ensure personnel deputed or hired meet these skills, and provide hands-on training and support to them. The WB will provide substantial implementation support to PIU staff to ensure efficient and timely implementation.

63. Fiduciary risk (procurement and financial management) is High.

- a. *Procurement (High)*: The main drivers of the risk are the number of works contracts/subprojects to be implemented in parallel in the densely populated areas of Dhaka, which will require close contract supervision by DSCC with existing limited resources. DSCC has capacity constraints in performing contract management, managing cost and time overruns and quality in contract implementation. With DSCC being a major local government, non-technical considerations such as patronage in the procurement process and implementation may be a risk. Further, the screening process of subprojects through various criteria may delay the commencement of works. Key risk mitigation measures to be put in place are: (i) engaging DSCC dedicated staff, in addition to consulting firm for contract management process adhering to quality, cost and time control following an agreed time-bound action plan; (ii) using Systematic Tracking of Exchanges in Procurement (STEP) system of the WB and faster screening process of subprojects to monitor procurement activities against the agreed timeline; (iii) training relevant project officials on innovative approaches of WB's procurement framework, contract management and fiduciary due-diligence; (iv) Adopting e-government procurement (e-GP) for all national market-approached procurement; and (v) forming, in concurrence with the WB, bid/proposal evaluation committees (BEC/PEC) for the project's procurement activities irrespective of national or international procurement.
- b. *Financial Management (FM) (Substantial)*: The FM capacity assessment assessed current systems and practices of DSCC in donor-funded projects to evaluate risks and possible mitigation measures. The FM risk rating Substantial derives from the large number of contract packages and diverse types of subprojects which has inherent risk in managing quality of expenditure. The principal FM risks and corresponding risk mitigation measures are mentioned in in Annex 1.

64. Environmental and social risk is Substantial. Environmental risk is rated as Moderate, while Social risk is rated as Substantial, thus the combined risk is rated as Substantial. Compliance with the approved EMF and RPF, the preparation of subproject EAs, EMPs, SIAs and RPs (where required), and their satisfactory implementation will be key to addressing environmental and social risks.



- a. *Social (Substantial)*: Informal settlements and squatters are widespread in Dhaka. These are residential and commercial squatters and encroachers of different scale on existing unused public spaces. They are subject to frequent or occasional eviction by government agencies including DSCC. Current practice of the Dhaka city corporations in eviction of squatters and encroachers on public lands does not meet the requirements of the WB's policy. Therefore, activities involving significant involuntary resettlement of squatters will be excluded from the project if they cannot be managed by DSCC in a manner consistent with WB policies. Challenges and risks include limited institutional capacity of DSCC in managing social issues as per WB requirements; ownership issues of existing public spaces; and the likelihood of formal and informal private users of existing land.
- b. *Environment (Moderate)*: Project activities are not expected to cause any long term or irreversible environmental impact. The key project environmental management issue will be traffic congestion, dust pollution and health-safety during construction. These issues can be managed with appropriately designed EMP at the implementation level.

65. Stakeholder risk is Substantial. The project is anticipated to include many citizen stakeholders, and consensus on designs responding to user needs will be critical for smooth project implementation. This risk will be mitigated in the following ways: (i) PIU will implement a communications strategy to reach out to and engage citizen stakeholders (including local-level elected political leaders) on the project's interventions; (ii) a bottom-up support and community ownership of project interventions will be built through a systematic stakeholder engagement embedded in the design stage for each subproject; and (iii) local urban design experts and civil society organizations will also be engaged to provide feedback on subproject design and its suitability for the local context.





**VI. RESULTS FRAMEWORK AND MONITORING**

**Results Framework**

COUNTRY: Bangladesh

Dhaka City Neighborhood Upgrading Project

**Project Development Objective(s)**

To enhance public spaces and improve urban services in selected neighborhoods in Dhaka.

**Project Development Objective Indicators**

Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<b>Enhanced public spaces in selected neighborhoods in Dhaka</b>								
Percentage increase in the number of people accessing enhanced public spaces (Percentage)		0.00	0.00	0.00	0.00	20.00	20.00	20.00
Percentage increase in the number of women accessing enhanced		0.00	0.00	0.00	0.00	20.00	20.00	20.00





Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
public spaces (Percentage)								
<b>Improved urban services in selected neighborhoods in Dhaka</b>								
People provided with improved urban living conditions (CRI, Number)		0.00	0.00	0.00	0.00	500,000.00	1,000,000.00	1,000,000.00
People provided with improved urban living conditions - Female (RMS requirement) (CRI, Number)		0.00	0.00	0.00	0.00	250,000.00	500,000.00	500,000.00

**Intermediate Results Indicators by Components**

Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<b>Public space enhancements</b>								
Total area of public spaces improved (Hectare(Ha))		0.00	0.00	0.00	10.00	20.00	30.00	30.00
Number of people consulted under participatory sessions for		0.00	0.00	400.00	800.00	1,200.00	1,200.00	1,200.00



Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
subproject design and implementation (Number)								
Percentage of citizens in selected neighborhoods who consider that their views have been taken into account in the subproject designs (Percentage)	0.00	0.00	0.00	60.00	60.00	60.00	60.00	60.00
Percentage of women in selected neighborhoods who consider that their views have been taken into account in the subproject designs (Percentage)	0.00	0.00	0.00	60.00	60.00	60.00	60.00	60.00
Percentage of women who report feeling safe in public spaces in the selected neighborhood locations (Percentage)	0.00	0.00	0.00	0.00	20.00	40.00	60.00	60.00
Roads rehabilitated (CRI, Kilometers)	0.00	0.00	0.00	0.00	0.00	15.00	30.00	30.00
Number of intersection management strategies developed (Number)	0.00	0.00	0.00	0.00	1.00	3.00	5.00	5.00
<b>Place management, urban planning and project implementation support</b>								



Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Share of improved public spaces with approved plans for operation, management, programming and community outreach (Percentage)		0.00	0.00	0.00	100.00	100.00	100.00	100.00

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**Monitoring & Evaluation Plan: PDO Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage increase in the number of people accessing enhanced public spaces		(i) At baseline; (ii) annually or other suitable interval; (iii) at project close.	Data from surveys or sign-in sheets or person count for activities and services at selected public spaces.	This indicator measures the changes in the number of visitors or users of public space amenities improved by the project (such as parks, playgrounds and multi-use community centers that incorporate uses such as wedding halls, health centers,	PIU, with the support of M&E consultant.



				public toilets and other citizen services). An a-priori baseline survey (with varied sampling times and days) will be conducted at each of the selected sites. A post-hoc survey using the same sampling plan will be conducted annually or at other intervals, as suitable, at each site following sub-project completion until the end of the project. Results from each site may be consolidated across all the sites using an agreed formula to reach a final percentage increase number for all sites combined. Methodology will be further elaborated in PIM.	
Percentage increase in the number of women accessing enhanced public spaces		Same as parent indicator.	Same as parent indicator.	Same as parent indicator.	Same as parent indicator.



<p>People provided with improved urban living conditions</p>		<p>(i) At baseline; (ii) annually or other suitable interval; (iii) at project close.</p>	<p>"Gridded Population of the World" dataset version 4 (GPWv4), a publicly available raster data collection of integrated population across the globe based on population data from national Census and United Nations estimates, showing population density by 1 sq.km. grids. Developed by Center for International Earth Science</p>	<p>This indicator measures the number of people living or working in or around the areas of Dhaka improved by the project, specifically via the following facilities: improved <u>neighborhoods, public spaces, parks, resilience, and/or urban environmental conditions</u>. The number of people will be counted as those living within 500-1000 meters of the improved area (as applicable). This estimation will be done after completion of each subproject, using existing data sources such as census data, and UN population estimates. People living or working in area improved via multiple subprojects of different types will only be</p>	<p>PIU, supported by M&amp;E consultant.</p>



			Information Network (CIESIN), Columbia University and NASA Socioeconomic Data and Applications Center (SEDAC). Detailed data source description available in PIM.	counted once. Methodology will be further elaborated in PIM. Target values may be recalibrated after baseline measurement has been conducted.	
People provided with improved urban living conditions - Female (RMS requirement)		Same as parent indicator.	Same as parent indicator.	Same as parent indicator. It is assumed that women comprise 50% of the area population. Thus, area beneficiary population calculated for parent indicator will be divided by 2 to determine number of women beneficiaries for this sub-indicator. Target	Same as parent indicator.



				values may be recalibrated after baseline measurement has been conducted.	
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**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Total area of public spaces improved		(i) At baseline; (ii) annually or a suitable interval (such as after each subproject completion ); (iii) at project close.	PIU.	To be assessed through sub-project progress reports and GIS data. Target values may be recalibrated after baseline measurement has been conducted.	PIU, supported by M&E consultant.



<p>Number of people consulted under participatory sessions for subproject design and implementation</p>		<p>(i) At baseline; (ii) annually or a suitable interval (such as after each subproject completion ); (iii) at project close.</p>	<p>PIU. Data from sign-in sheets at consultation sessions.</p>	<p>Counting total number of people consulted. Target values may be recalibrated after baseline measurement has been conducted.</p>	<p>PIU, supported by M&amp;E consultant.</p>
<p>Percentage of citizens in selected neighborhoods who consider that their views have been taken into account in the subproject designs</p>		<p>(i) At baseline; (ii) annually or a suitable interval (such as after each subproject completion ); (iii) at project close.</p>	<p>PIU. Data to be gathered from short surveys, polls or use of smart phone apps to collect responses from citizens who participated in consultations for subproject designs.</p>	<p>% of total respondents responding positively to the relevant question combined across all surveys (i.e. their views were taken into account in the designs of subprojects). Target values may be recalibrated after baseline measurement has been conducted.</p>	<p>PIU, supported by M&amp;E consultant.</p>

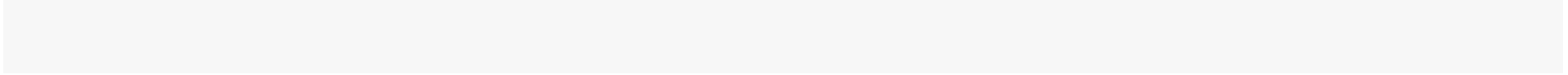
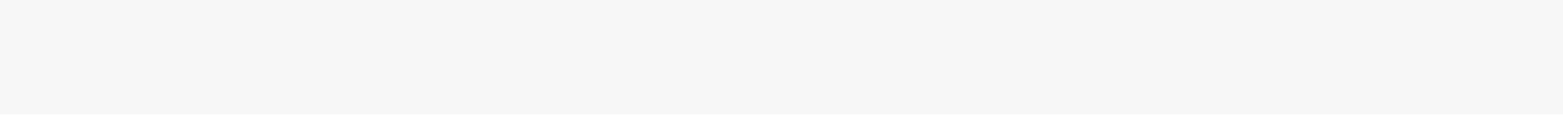




Percentage of women in selected neighborhoods who consider that their views have been taken into account in the subproject designs		Same as parent indicator.	Same as parent indicator.	Same as parent indicator.	Same as parent indicator.
Percentage of women who report feeling safe in public spaces in the selected neighborhood locations		(i) At baseline; (ii) annually or a suitable interval; (iii) at project close.	PIU. Data to be gather from short surveys, polls or use of smart phone apps to collect responses from women at selected upgraded subproject locations.		PIU, supported by M&E consultant.
Roads rehabilitated		(i) At baseline; (ii) annually or a suitable interval (such as after each subproject	PIU.	Physical count of length of roads and streets improved by project. Consolidated for all subprojects to reach total end-target.	PIU, supported by M&E consultant.



		completion); (iii) at project close.			
Number of intersection management strategies developed		Annually.	PIU.	To be developed by PIU and M&E consultant.	PIU, supported by M&E consultant.
Share of improved public spaces with approved plans for operation, management, programming and community outreach		(i) Annually; (ii) at a suitable interval (such as after each subproject completion); (iii) at project close.	PIU.	Numerator: Number of improved public spaces (parks, community centers) which have approved plans to operate and maintain these public spaces, as well as programmed activities to improve the use of public space. Denominator: Total number of public spaces (parks, community centers) improved under project.	PIU, supported by M&E consultant.





## ANNEX 1: IMPLEMENTATION ARRANGEMENTS AND SUPPORT PLAN

### Institutional and Implementation Arrangements

1. In addition to the description provided in Section III of the main document, the following information is relevant for the project.
2. **Departmental Technical Committee at DSCC:** A Departmental Technical Committee will be formed at the technical advisory level at DSCC, headed by the PD and comprising five external technical members with at least two external members. It will perform the following functions: (i) provide technical reviews and oversight of consultants' work; (ii) provide timely advice on key technical issues during design and implementation; and (iii) act as an impartial reviewer of consultant outputs before finalization of designs for implementation. Committee members will be selected from DSCC and other public, private or civil society organizations. The committee will also have relevant representatives from DMP and other agencies (as needed) to facilitate inter-agency coordination at working level and resolve operational matters for project activities pertaining to these agency. It will meet as frequently as needed.
3. **Communication and public information:** Given the nature and scope of the project, an effective public information campaign will be implemented to: (i) promote support for project activities; (ii) facilitate management and mitigation of project risks; and (iii) strengthen DSCC's capacity to handle such communications. The PIU will engage a consultancy specializing in communications to assist in reaching out to citizens and other stakeholders.

### Financial Management

4. Following the WB's operational policies and guidance, an FM capacity assessment of DSCC has been conducted. It assessed current FM systems and practices followed by DSCC in donor-funded projects to evaluate risks and identify possible mitigation measures. The overall FM risk of the project is assessed as Substantial, mainly because the project will finance a number of civil works contract packages and a number of diverse subprojects, which bears inherent FM risks in managing the quality of expenditure. The FM performance rating of Clean Air and Sustainable Environment (CASE) project currently being implemented by DSCC has been Moderately Satisfactory, though the agency could not operationalize an automated accounting system to generate timely and accurate financial reports. There is no designated internal audit unit in DSCC to check the control system of expenditures regularly manner, which hampered the conduct of internal audit for CASE project. The internal audit was carried by an outside audit firm for that project. As of now, there is no pending audit or financial reports from DSCC for that project.
5. Based on the FM assessment, the following FM arrangements were discussed and agreed with the implementing agency:
6. **Planning and budgeting.** As with other projects in Bangladesh, a budget will be prepared and maintained for the entire term of the project and detailed budgets for each subsequent fiscal year will also be produced no later than June 30<sup>th</sup> of each fiscal year to provide a framework for FM. The annual budget will be prepared based on the approved Procurement Plan and any other relevant annual work



plans. These budgets will be monitored periodically to ensure that actual expenditures are in line with budgets and to provide input for necessary revisions.

7. **Financial reporting.** IUFs will be prepared quarterly and submitted to the WB by the project within 45 days from the end of each quarter. These shall be prepared in an agreed format and supported by appropriate sets of documents and evidences.

8. **Internal control.** The project will be required to maintain a satisfactory FM system, including keeping all mandatory books of accounts and preparing quarterly and yearly financial statements for audit purposes. It was agreed that the internal audit for the project will be carried out by a private audit firm twice in the lifetime of the project. The first will be 6 months before the Midterm Review of the project and the second must be completed 1 year before the legal closing date of the project. The internal audit contract will be a prior review package from FM and procurement perspective. A copy of the internal audit reports shall be submitted to the WB within 30 days from the final submission to the implementing agency by the auditors.

9. **Governance and oversight arrangements.** Development projects executed by DSCC are being audited by the Foreign-Aided Projects Audit Directorate (FAPAD) under the Comptroller and Auditor General (C&AG) of Bangladesh annually to meet legal requirements. Accordingly, the project's financial statements shall also be audited by the same authority each year and the reports will be submitted to the WB within six months from the end of each financial year. The audited financial statements will be made available for public disclosure, as per the WB's policy on Access to Information. The PIU will take the necessary steps to resolve audit observations by June 30 of the year following the audited year.

10. **Staffing.** DSCC will hire, as individual consultants, an FM specialist and a project accounts officer having professional accountancy qualifications. While the FM specialist will be responsible for the overall FM of the project, the accounts officer will handle subproject FM issues. An accounts officer to be deputed from DSCC, or any other GoB agency as applicable, will also support day-to-day financial activities of the project. DSCC will obtain concurrence from the WB on the terms of reference of the consultants to be hired.

11. **Enhancing FM capacity of DSCC.** The project will also strengthen the FM capacity of DSCC by financing turnkey consultancy services for implementing a digital accounting system at DSCC, including accounting software, to assist in automated financial reporting and improved internal audit.

### Disbursements and Funds Flow

12. It is agreed that IDA funds for the project will follow transaction-based disbursement method (SoE-based disbursement). The PIU at DSCC will request for an initial advance to meet expenses based on the ceiling stated in the disbursement letter. Thereafter withdrawal applications can be submitted based on SoE. PIU will document eligible expenditure on a monthly basis using the WB's system. IDA funds will be disbursed through a single DA, which will be maintained by DSCC in a commercial bank in accordance with approved GoB procedures governing the establishment of DAs. According to existing practices of DSCC, authorized signatories will operate the DA. All payments will be managed centrally and the PD, or any other appropriate authority allowed under the Delegation of Financial Powers regulations of the



government, will be the approving authority for all project expenses. The IUFs will capture all expenses made from the DA for the project.

13. **Counterpart financing.** Counterpart (GoB) financing will flow to the project as parallel financing and for which DSCC will maintain separate books of accounts and records. All payments for contracts procured under parallel financing will be made from counterpart funds. To ensure efficient management of counterpart financing, DSCC will open and operate a separate bank account in the name of the project in a commercial bank as per GoB procedures. Expenditures made under parallel financing will be reflected in IUFs to be submitted to the WB on a quarterly basis.

14. **Retroactive financing.** Retroactive financing will be available under the project for an amount up to US\$5 million for eligible expenditures incurred by DSCC within twelve months preceding the expected date of signing of the Financing Agreement. Eligible expenditures include incremental operating costs; consultancy fees; purchases of goods, equipment and non-consultancy services; fees (including mobilization advances) for the first set of civil works contracts. All expenditures for which retroactive financing is sought will be submitted to the WB in order to verify their eligibility as per project objectives and relevant policies and procedures, including applicable WB procurement rules.

15. **Incremental operating costs.** These are defined as reasonable incremental costs required for the day-to-day coordination, administration and supervision of Project activities; leasing, repair and/or maintenance of equipment, facilities and office premises; vehicle rent; office supplies and utilities; consumables; communication expenses; translation, printing, photocopying and postal expenses; bank charges; advertising expenses; insurance costs associated to clearance, forwarding, inspection and transportation of goods; and Project-related meeting expenses and/or Project-related travel expenses provided that said expenses are paid to the eligible recipient through banking system (except for petty cash expenses following the Recipient’s applicable existing policy on petty cash expenses); but excluding fuel, salaries of civil servants, per diem, sitting allowances, honorarium and/or allowances of any nature.

Table 2: Time-bound FM Action Plan

S/N	Action	Responsibility	Deadline
1	Opening a Designated Account in the form of CONTASA (Convertible Taka Special Account)	DSCC	Immediately upon Signing of project legal agreements
2	Provide security token and update signatory to use “Client Connection”	WB	Immediately upon declaration of project effectiveness and opening of Designated Account
3	Submission of withdrawal application for initial advance	DSCC	Immediately upon declaration of project effectiveness and opening of Designated Account
4	Completion of hiring process of the FM consultant	DSCC	March 31, 2019
5	Completion of hiring process of consulting firm to install accounting system	DSCC	May 30, 2019
6	Training of FM staffs of the project	DSCC/WB	April 30, 2019
7	Prepare chart of accounts and operationalize the accounting system	DSCC	June 30, 2019
8	Submission of annual forecast	DSCC	May 31 annually



S/N	Action	Responsibility	Deadline
9	Submission of IUFRs	DSCC	Quarterly
10	Completion of hiring process of internal auditors (firm)	DSCC	June 30, 2020
11	Submission of external audit reports	DSCC	31 December annually
12	Submission of internal audit reports	DSCC	Within 30 days from submission of report to PIU by auditor

### Implementation Support Plan

16. The implementation support plan for the project has been developed to reflect the specific nature of project components, planned implementation schedule, lessons learned from similar projects, and specific needs identified by the various assessments and will be regularly reviewed as required. It aims to enhance the quality of the client’s delivery of the project interventions and address critical issues and risks that may affect project implementation. It will specifically focus on: (i) strengthening technical and fiduciary capacity of DSCC at the beginning of the project; and (ii) regular provision of implementation support through WB missions and on-demand/concurrent support, covering technical, institutional, safeguards, M&E, fiduciary and communications aspects. The capacity needs of the PIU will be periodically reviewed during implementation to identify the need for strengthening procurement, supervision, contract management and technical assistance.

17. Implementation support will consist of: (i) formal implementation support missions; (ii) regular technical meetings (including virtual meetings) and field visits by the WB between missions; and (iii) regular reporting and monitoring of FM, procurement and environmental and social safeguards. Formal missions will be carried out three times during the first year, and every six months in subsequent years. Several WB task team members are based in Dhaka and will be able to provide ongoing and continued on-demand implementation support. The volume of support is expected to be particularly high in the first two years of project implementation.

18. Estimates of staff time required in the first year and subsequent years are provided in Table 3 and Table 4.



Table 3: Estimate of staff time required, by time period

Time	Focus	Skills Needed	Staff weeks	Partner Role
First twelve months	Implementation support to PIU for: start-up; preparing safeguards instruments; fiduciary staff training; setting up PIU; conducting community-level consultations; initiating and developing technical designs; launch of work in first year of project.	See table below.	80	N/A
12-48 months	Implementation support to PIU for: implementation of project activities; innovative activities to increase access to and use of public spaces; behavioral change; operations and maintenance; communications and research and knowledge sharing.	See table below.	120	N/A
<b>Total</b>			<b>200</b>	<b>N/A</b>

Table 4: Estimate of staff time required, by skills mix

Skills Needed	Number of Staff Weeks	Number of Trips
Team leadership	50	14
Urban Development Specialist	18	10
Social Safeguards Specialist	30	10
Environmental Safeguards Specialist	18	8
Procurement Specialist	24	12
FM Specialist	12	8
Citizen Engagement and Gender Specialist	18	6
Technical Specialists	30	12
<b>Total</b>	<b>200</b>	