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BANGLADESH Country Snapshot

The World Bank Group



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COUNTRY SNAPSHOT

Rapid growth has propelled Bangladesh from low-income to low-middle-income country (LMIC) status, as FY2014 per capita gross national income of \$1,080 crossed the threshold. Per capita income continued to increase in FY2016 to \$1,409. Gross domestic product (GDP) grew well above the average for developing countries in recent years, averaging 6.3 percent since 2010, with services and industry accounting for the bulk of the growth. While Bangladesh has achieved its ambition of entering middle-income status well before 2021, the 50th anniversary of its independence, the challenge will be to further accelerate growth so that it keeps moving past the threshold and further up the income range of middle income countries.

Several factors underpin the resilience of Bangladesh's economy, against the backdrop of a volatile global economy. Robust macroeconomic fundamentals at the onset of the financial crisis, strong growth of exports and remittances, and relatively under developed and insulated financial markets have played an important role. Bangladesh's exports more than doubled their world market share between 1995 and 2016. The ready-made garment (RMG) sector has been a key contributor, exceeding 80 percent of total exports in FY2016. Bangladesh is now the world's second largest

garment exporter, making it unique among low-income countries because of the high share of manufactured goods in its exports (90 percent compared with about 20 percent in other countries at a similar level of development in 2015).

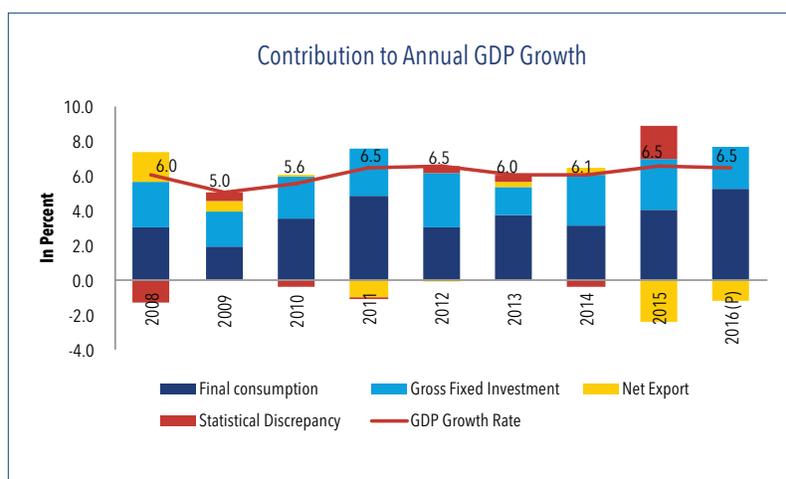
Progress on reducing extreme poverty and boosting shared prosperity through human development and employment generation has continued. This needs to be further consolidated in the near-term by sustaining GDP and remittances growth, creating jobs, containing inflation, and making progress on improving the quality of service delivery in health and education. Private investments need to increase significantly to achieve the government's 7.2 percent growth target for FY2017. At the same time, the quality of public investment needs to be substantially enhanced to help alleviate infrastructure constraints on the private sector and expand service delivery. Over the medium term, it will be essential to: (i) complete the transition in the garment industry to higher value added products exported to a wider range of markets, (ii) finish critical transport projects, (iii) implement the Public Private Partnership (PPP) law to boost private participation in infrastructure development, and (iv) implement measures to facilitate the expansion of Special Economic Zones (SEZs).

ECONOMIC OVERVIEW

BANGLADESH	
	2016
Population, million	162.9
GDP, current US\$ billion	221.0
GDP per capita, current US\$	1409

Sources: World Bank Staff, and BBS

With the return of some degree of political stability since April 2015, domestic economic activity has picked up. The Bangladesh Bureau of Statistics' preliminary 7.05 percent gross GDP growth estimate for FY2016 (July 1, 2015 to June 30, 2016) shows stronger economic dynamism relative to FY2014 and FY2015 despite political uncertainty, modest export growth, decline in remittances, and continued weakness in private sector credit growth. Agricultural production has been healthy and services have recovered. Domestic demand has regained strength, propelled in part by a large increase in public sector wages.



Income and REER elasticities of demand for export are low. Only 2.4 percent of exports go to China. Bangladesh's capital account is largely closed, and the presence of non-resident investor in Bangladesh's financial market is very limited. The recent re-opening of Saudi Arabia and the United Arab Emirates markets to Bangladeshi labor may help restore remittance growth momentum, although the decline in oil prices has weakened labor demand in these markets. Inflation risks remain substantial.

Recent Developments

Macroeconomic stability was sustained. Bangladesh was not affected by recent turmoil in emerging markets and developed economies. Headline inflation decelerated to 5.9 percent in FY2016 from 6.4 percent the year before. However, non-food inflation has picked up to 7.5 percent in FY2016 from 6.0 percent in FY2015. The lending rates offered by commercial banks have declined, the nominal taka-USD exchange rate has been stable, and foreign reserves have crossed \$30 billion. The trade weighted real effective exchange rate appreciated by 14.4 percent in the 12 months ending August 2016, despite a stable nominal taka-USD exchange rate, because of a 15.9 percent appreciation of the taka-ruo nominal rate and higher domestic inflation relative to inflation in Bangladesh's trading partner countries. The fiscal deficit was contained at around 4.6 percent of GDP in FY2016. The FY2017 budget targets 5 percent deficit with expenditures rising by 28.7 percent and revenues increasing by an ambitious 36.8 percent compared with the revised budget of FY2016. Weaknesses in financial sector regulatory framework persists.

Outlook

Supported by political stability in the near-term, growth in FY2017 is projected at 6.8 percent, driven by stronger consumption and export growth. Bangladesh is not at significant risk from contagion related to recent Brexit-induced volatility in international financial markets or slower growth in China.

tion risks remain substantial.

The Medium-Term Macroeconomic Framework presented with the FY2017 budget is achievable if structural reforms related to infrastructure management and business regulation are implemented. However, achieving the 7.2 percent GDP growth target while reducing inflation to 5.8 percent during FY2017 will be challenging. All evidence suggest Bangladesh's potential GDP growth rate is no more than 6.5 percent given its demographics, feeble state of physical infrastructure, and lingering political uncertainties. Macroeconomic management will have to include strong surveillance of the economy's proclivity to overheat if growth exceeds potential, and adjust the policy instruments accordingly.

The FY2017 budget is expected to boost growth directly through consumption and indirectly by facilitating exports and private investment. It provides for a 19.5 percent increase in public pay and allowances, and prioritizes 10 fast-track mega projects this year. In education, health and social protection, there is an increase in the level of spending relative to the total size of the FY2016 budget, which bodes well for human development and hastening the pace of poverty reduction. Central government bank borrowing requirements may exceed the budget target due to a likely shortfall in revenue collection and aid disbursement targets. The budget deficit may rise in FY2017, but the debt level is currently at a low risk of distress. The monetary program envisages accommodating the central government bank borrowing without monetization.

	2013	2014	2015 e	2016 f	2017 f
Real GDP growth, at constant market prices	6.0	6.1	6.6	7.1	6.8
Private Consumption	5.1	4.0	5.8	5.3	4.6
Government Consumption	5.8	7.9	8.8	10.7	10.2
Gross Fixed Capital Investment	5.4	9.9	7.1	8.9	11.9
Exports, Goods and Services	2.5	3.2	-2.8	-0.3	14.0
Imports, Goods and Services	1.2	1.2	3.2	-8.9	15.4
Real GDP growth, at constant factor prices	6.1	6.1	6.5	7.1	6.8
Agriculture	2.5	4.4	3.3	2.6	2.9
Industry	9.6	8.2	9.7	10.1	9.3
Services	5.5	5.6	5.8	6.7	6.5
Prices					
Inflation (Consumer Price Index)	6.8	7.3	6.4	5.9	6.1
Inflation (Private Consumption Deflator)	6.8	7.3	6.4	5.1	6.3
Inflation (GDP Deflator)	7.2	5.7	5.9	6.6	6.9
Current Account Balance (% of GDP)	1.6	0.8	1.5	1.7	0.1
Fiscal Balance (% of GDP)	-3.9	-3.5	-4.2	-4.6	-4.4

Sources: World Bank, Macroeconomics and Fiscal Management Global Practice, and Poverty Global Practice.
Notes: e = estimate, f = forecast.

Challenges

Bangladesh's progress on structural reforms has remained slow. Structural reforms are particularly challenging in the following areas:

- *Financial.* Nonperforming loans remain an issue as habitual defaulters continue their behavior with impunity. Initiatives are needed to hold defaulters accountable.
- *Energy.* Bangladesh has not seized opportunities provided by low international fuel prices to implement critical pricing reforms or to build fiscal space, which would mitigate fiscal risks if energy prices rebound, and enable effective counter-cyclical policy responses in the event of an economic slowdown.
- *Fiscal.* Reforms to improve the effectiveness of public expenditure and revenue administration are badly needed.
- *Administrative.* Much of the reform agenda, including a broad-based reform of state-owned enterprises, remains to be implemented.

RECENT SECTOR DEVELOPMENTS

Bangladesh has an impressive track record on growth, poverty reduction and human development, despite its vulnerability to climate change and natural disasters. Since 2010, annual GDP growth has averaged 6 percent. GNI per capita increased from \$100 in 1972 to \$1,190 in 2015, crossing the World Bank's threshold for lower middle-income country status. Based on the International Comparison Program 2011 PPP global poverty line of \$1.90 per person per day, the number of poor fell from 47.9 million in 1991 to 28 million in 2010, helping Bangladesh meet the MDG1 target five years ahead of time. The poverty rate fell to 18.5 percent in 2010, and is projected to be at 13.8 percent in 2015.¹ Bangladesh's poverty reduction has been accompanied by progress in

¹ These trends are corroborated by national survey based trends and estimates.

INFRASTRUCTURE QUALITY IN BANGLADESH LAGS BEHIND ITS REGIONAL COMPETITORS

Country	Overall Country Ranking	Overall Infrastructure score	Roads	Railroad	Port	Electricity
China	28.0	4.7	4.7	5.0	4.5	5.3
Thailand	32.0	4.6	4.4	2.4	4.5	5.2
India	55.0	3.7	4.1	4.1	4.2	3.7
Vietnam	56.0	3.8	3.3	3.2	3.9	4.1
Sri Lanka	68.0	4.2	5.2	3.9	4.3	4.9
Cambodia	90.0	3.2	3.3	1.6	3.7	3.1
Bangladesh	107	2.6	2.9	2.5	3.6	2.7
Pakistan	126	2.7	3.8	2.8	4.1	2.1
Myanmar	131	2.1	2.3	1.8	2.6	2.7

Source: World Economic Forum, Global Competitiveness Report 2015-16; Ranking out of 140 countries. Scores on a 1-7 scale, with 7 being the best

human development and women's empowerment. For example, the country achieved near universal access to primary education, and gender equity in access to primary and secondary education. Government's proactive approach to family planning in the 1980s led to a dramatic reduction in fertility rates from 6.4 to 2.2 births per woman between 1980 and 2014, which is translating into the elevated working age share of the population currently supporting growth.

Consumption inequality in Bangladesh remains low and very stable. Consumption inequality as measured by the Gini index was estimated at 31 percent and 30 percent in 2005 and 2010, respectively. Growth incidence curves in 2005-2010 reveal that consumption growth was pro-poor – that is, poorer households benefited from larger gains in per capita consumption than those at the top of the distribution. The per capita consumption of the bottom 40 percent is likely to have continued to increase over the past year, responding to the increase in rural wages, expansion in agricultural output, and reduction in food prices. Yet, differences in agricultural wages of male and female agricultural workers remain very high. In January 2016, the average wage for female workers in the divisions of Barisal, Khulna, and Rajshahi was only 288 Taka/day compared to 309 Taka/day for male workers.

GNI per capita has grown rapidly. Continued

economic dynamism, slowing population growth, and increases in the stock of Bangladeshis working abroad and sending remittances contributed to robust gains in GNI per capita. Most recent research evidence reconfirms that remittances contribute significantly to poverty reduction – directly by augmenting the income of the receiving families and indirectly by contributing to local level development.²

Infrastructure

Boosting access to infrastructure services will be essential to sustaining progress towards attaining middle income country status. To date, Bangladesh's investment in infrastructure has been relatively low in quantity as well as lagging in quality. Public investment in (hard) infrastructure was less than 2 percent of GDP, and it lags behind its regional competitors in infrastructure quality. By contrast, total investment in hard infrastructure in China, Thailand, and Vietnam exceed 7 percent of GDP; these countries also invest another 7-8 percent of GDP in education, training, and health. Unless infrastructure bottlenecks in Bangladesh are addressed in a timely manner, they risk be-

2 Professor Tasneem Siddiqui and Dr. Raisul Awal Mahmud, Key Findings, Impact of Migration on Poverty and Local Level Development, August 31, 2014.

coming increasingly binding constraints choking future growth prospects. Its roads and highways, railroads, waterways and ports, and electricity all rank very low in quality, while urban congestion has become a major hindrance (especially in Dhaka and Chittagong). The World Bank Group (WBG) estimates that in order to reach sustained 7.5-8 percent growth, investment needs to be raised at least 33 percent of GDP, including an increase in infrastructure investments to around 10 percent of GDP per year.

Energy

Even though electricity generation capacity has doubled since 2009, Bangladesh continues to face significant power shortages. While installed capacity increased from 4,900 megawatts (MW) in 2009 to 12,725 MW in 2016, available capacity is around 9,000 MW, which is inadequate to sustain middle- or high-level economic activity for a nation of almost 160 million people. At the same time, only 72 percent of the population had access to electricity in FY15, and per-capita electricity consumption of 371 kilowatts (kWh) per year is one of the lowest in the world. As a result, the availability and reliability of power is a key concern for businesses. In the 2015 *Doing Business* report, Bangladesh was also ranked the lowest out of 189 economies on the “getting electricity” indicator. There was a 22 percent shortfall in meeting peak capacity in FY13, and a 13 percent shortfall in meeting non-peak demand. At the same time, energy demand is projected to rise nearly five-fold to over 190 terawatt (TW) hours by 2030.

Gas is critical for the power sector in Bangladesh, since it fuels 70 percent of generation. Exploration of additional domestic gas is now a priority, particularly offshore. In the meantime, liquefied natural gas (LNG) imports will likely be required soon to fuel existing gas-fired plants as well as those under construction. Given Bangladesh’s over-reliance on natural gas, power supply diversification is also a key need. Other issues facing the power sector include: (i) the dual challenge of massive investment in new capacity while simultaneously facing an increasing cost of supply; (ii) enhancing private-sector investment (despite early success in attracting private investors, only one new large independent power producer has started operation in Bangladesh in the last decade); (iii) raising

current end-user gas prices to parity with prices in neighboring countries and regional benchmarks; and (iv) managing the increase in fuel oil use by rental power plants and independent power companies that has resulted in a nearly three-fold increase in the average cost of power supply. The World Bank Group is actively engaged in the energy sector through technical assistance in the gas sector as well as financing support for generation capacity, off-grid rural electrification through solar home systems, renewable energy investments, and rural transmission and distribution.

Inland Connectivity and Logistics

Improving connectivity is key for Bangladesh to accelerate the social and economic transformation of its rural areas. Rural roads in Bangladesh have enabled children in remote areas to access education and their families to benefit from primary health. The roads have connected rural communities to markets, augmented income through higher wages, lowered input and transportation costs, raised output prices and reduced poverty significantly. Therefore, apart from physical connectivity, the rural roads network in Bangladesh ensures connectivity to education, health and livelihood too. Considering that a significant portion of this delta country is affected by extreme weather events that are anticipated with increasing frequency, strengthening the rural road network is a key part of climate resilience and adaptation. Every few kilometer of a rural roads, there is a waterbody, drainage channel, or river, and it is important to rehabilitate, maintain and widen the bridges to ensure continuity of connectivity, especially during monsoon. It is essential to ensure the rural roads system is properly developed, maintained and further integrated with the larger transport network, which remains an important public policy priority. Bangladesh needs to move away from the “build, neglect, rebuild” paradigm, and ensure a sustainable framework for road asset management.

Bangladesh can enhance its international competitive edge by improving logistics. Chittagong port, which handles nearly 85 percent of the country’s merchandise trade, is constrained by labor problems, poor management and lack of modern equipment. It is the only major port in South Asia that has not implemented the landlord port model. Similarly, the less than optimal railway and road

networks connecting the port with the hinterland led to elevated transport costs, low efficiency and delays in the logistics chain, increasing trade costs and reducing the competitiveness of Bangladesh's products. Air transport is also inefficient, due to congestion and lack of capacity at the air terminal. The Dhaka-Chittagong corridor is the most important economic corridor for Bangladesh, but it is extremely congested and consequently causes time and cost overruns for exporters and importers. However, being a riverine country, Bangladesh has a large inland waterways sector, which if strengthened could support the logistics capacity of this largest trade corridor through a multimodal intervention. The WBG is trying to improve navigability of 900 km of inland waterways along the Chittagong-Dhaka-Ashuganj Corridor and connecting routes (accounting for 80 percent of inland waterway traffic), which will help reduce travel time and costs for cargo and passenger transport, boosting national and regional trade. The project is part of a Regional Connectivity and Integration Program supported by the WBG for the Bangladesh-Bhutan-India-Nepal (BBIN) countries. One other project in preparation under the same Program has prioritized facilitating the seamless cross-border movement of cargo.

Regional and Global Integration

Export-led growth has served Bangladesh well, and there is potential for further expansion in this crucial area. Bangladesh's strong success in exports has been centered on low-skill, low-wage-based competitiveness in garments, which dominate the export basket. However, this strategy does not guarantee continued growth in exports, given the pressures of global competition and the possible emergence of future competitors with a better wage-productivity combination. The example of Vietnam shows the benefits of accelerated export-oriented development, moving in the space of 25 years from being one of the poorest countries in the world to a lower-middle income one, with foreign direct investment (FDI) and trade playing a dominant role in the economy. Vietnam's exports and imports each form 90 percent of GDP, with exports more than seven times as much per capita as in Bangladesh today. Bangladesh is well placed to expand manufacturing exports given its geographic proximity to two of the world's most populous countries and fast-growing economies. In addition,

attracting more FDI in the country would help upgrade technology and strengthen export market linkages, improving upon an area where Bangladesh has had only limited success to-date.

Bangladesh needs an export-led strategy that builds on existing labor-embedded exports and focuses on diversifying products, skills, and markets. Faster export growth will require both consolidating strengths in RMG by increasing volumes and moving into higher-value garments, as well as a gradual diversification into other manufacturing areas such as pharmaceutical products, non-leather footwear, light-engineering goods, ship-building, information technology, and IT-enabled services. The World Bank's 2013 Diagnostic Trade Integration Study outlines a four-pronged strategy to enhance the integration of Bangladesh's economy with regional and global markets: (i) expanding into new markets through better trade logistics and exploitation of regional trading opportunities; (ii) breaking into new products through a more neutral and rational trade policy, concerted efforts to spur private investment, and strategic development and promotion of services trade; (iii) improving worker and consumer welfare; and (iv) building a more supportive environment for export growth, including strengthening the institutional capacity for strategic policymaking aimed at increasing international competitiveness and bringing focus and coherence to the government's reform efforts. Improving the business environment is an important priority in Bangladesh. The WBG is providing an integrated package of financing and advisory support focused on trade policy, trade facilitation and behind-the-border reforms, building on the 2013 trade study. This includes supporting government efforts to develop economic zones and last mile infrastructure using PPPs.

Urbanization

Bangladesh is already a highly-urbanized economy, even if its population is still predominantly rural; 60 percent of national output is produced by a few cities. Dhaka and Chittagong, the country's major cities and home to most export-oriented garment firms, account for about half of the country's GDP. Dhaka city remains the most productive location in Bangladesh contributing 36 percent of the GDP due to its better access to skilled labor and power supply, suppliers, sub-contractors,

technicians and support. As cities are drivers of the Bangladesh economy, they are also magnets to migrants who come to the city for employment, higher education and medical facilities, as well as to enjoy other amenities of life. Following accelerated urbanization between 1961 and 2011, the highest concentration of urban population (34.33 percent) is in Dhaka.³ Migration, coupled with high annual urban population growth put tremendous stress on basic urban service delivery and affect the quality of city life. For example, Dhaka continues to rank in the bottom five of global cities in terms of livability (measured by the EIU using factors like access to healthcare, culture and environment, education and infrastructure). The infrastructure gap is also a critical issue, manifested for instance by inadequate public transportation. The economic costs of Dhaka's traffic congestion is estimated at \$2.7 billion annually and accounts for 3.2 million lost business hours every day.

Urban poverty is also on the rise. The proportion of the urban poor to national poor increased from 10 percent in 1991 to 18 percent in 2010. During 1991-2001, the number of urban poor increased from 6 million to 8 million while the rural poor decreased from 55 m to 46 million. Some 2.23 million people live in urban slums all over the country⁴ where living standards are worse than those in poor rural areas. Poor living conditions and high costs of living in the city have much greater negative impacts on the lower to middle income households. Only 40 percent of garment industry workers in Dhaka have access to piped water and regular garbage collection, compared to Dhaka's overall rate of 70 percent. Nevertheless, urbanization is a promising pathway for Bangladesh to achieve the twin goals to accelerate shared growth and end extreme poverty. A large number of jobs that will be created are likely to be in cities. Improving the livability in the cities will lead to enhanced attractiveness of urban centers for increased economic activity. A shift from reactive and remedial measures to proactive urban planning and policies for improving connectivity, both internally and with the global economy, can enhance the capacity to innovate within a pro-

ductive and diversified urban economy. The WBG's continued engagement in improving the competitiveness of Bangladesh's cities is highly valued by the government. And support (planned and ongoing operations and ASA activities) is provided on many fronts, including water and sanitation, transport development, drainage improvement, urban redevelopment (like open space development and pedestrian facilities improvements), and resilience to disasters and climate change. Analytical pieces are being prepared to enhance urban local service provision through reforms in inter-governmental transfers, improving own source revenue generation, increasing autonomy and capacity of urban local bodies to deliver urban services. Just-in-time advice is also being provided to progressive city mayors to help them prioritize, formulate and implement critical infrastructure. Technical assistance is also provided to improve the quality of urban poverty statistics.

Adaptive Delta Management

Bangladesh's major rivers and its long shoreline on the Bay of Bengal have shaped its comparative advantage and determined the location, nature, and pace of its development. The rivers have conferred unquestionable benefits to transport, trade, agriculture, and livelihoods, but also pose significant risk through recurrent floods, erosion and water pollution. The associated risks will increase with climate change, raising the frequency and severity of extreme events. In 2014 Bangladesh was ranked the most climate-vulnerable country in the world. For Bangladesh, growth will be sustainable only if it is accompanied by better resource management, especially adaptive delta management. The threats to the Bangladesh delta, which encompasses two-thirds of the country, are existential, particularly when they are exacerbated by climate change. Adaptive delta management should be integrated into all aspects of planning and sector development—including agricultural practices, water supply and sanitation, the placement of energy and transport infrastructure, and the location of all public and private infrastructure.

Although increased investment in infrastructure for land and water management has reduced vulnerability in rural areas in recent years, strengthening and expanding existing delta infrastructure is needed to boost resil-

3 BBS Source: http://www.bbs.gov.bd/WebTestApplication/userfiles/Image/PopMonographs/Volume-6_PDIM.pdf

4 BBS Source: http://www.bbs.gov.bd/WebTestApplication/userfiles/Image/Slum/Preli_Slum_Census.pdf

ience. To this end, the Government has adopted the Bangladesh Delta Plan 2100 (BDP2100), an integrated and holistic long-term plan to ensure safe living and sound economic development in Asia's largest and the world's most populous delta. A key aspect of this endeavor will be the implementation of an adaptive delta management approach to enable robust decisions to be made that affect all aspects of life and livelihood development, based on a wide-range of future scenarios. Adaptive delta management will help limit over- or under- adaptation by ensuring investments in all sectors, anticipating future constraints, how they will be affected by climate change and socio-economic growth, and how they will shape the future. The WBG, along with the Government of Netherlands, is supporting the government in developing the BDP2100. The WBG support is aligned with the Agriculture Development Method principle, with activities focused on boosting Bangladesh's resilience to natural disasters, improving the management of water and natural resources and promoting climate-smart agriculture. The WBG is also supporting the development of the Investment Plan for the BDP2100, which includes public and private sector investment in infrastructure, institutional development, policy and regulatory reforms, capacity building, and knowledge-building projects and activities.

Since nearly half the labor force in Bangladesh continues to be employed in agriculture and much of that labor force is poor, delta management that supports higher land productivity, crop diversification, and reduced vulnerability is essential to continued poverty reduction.

Bangladesh has done well in agricultural productivity growth – largely on account of technical changes. Key drivers have been the liberalization of input markets, the adoption of modern varieties, an increasing use of machinery, greater access to markets and a price hike of agricultural products. An important priority for Bangladesh is to shift away from a relatively narrow focus on staple crop productivity towards meeting the fast-growing demand of Bangladeshis for a more diverse, sophisticated, and nutritious diet. There is significant potential to further increase productivity and incomes in agriculture while making it more climate-resilient and nutritious. In addition to increased agricultural productivity and diversification, the main drivers of growth in the rural non-farm sector will

likely remain connectivity and proximity to urban areas.

Financial Sector

The ability of financial institutions in Bangladesh to deliver long-term financing, vital for sectors like energy and transport, remains constrained. This has inhibited long-term investments by households and the ability of firms to invest in capital up-grading and technology, and expand and grow businesses and jobs at a faster pace. As a consequence, private investment in Bangladesh, at 21.8 percent of GDP, is lower than in India (at 23 percent of GDP) or East Asia. To develop a long-term sustainable financing market will require well-functioning insurance, pension, and bond markets. In addition, the insurance sector's weak regulatory and supervisory framework needs to be tackled to manage risks for a more diversified financial system. Financing for other underserved market segments also require attention. Funding for small and medium sized firms and for farmers remains constrained due to lack of capacity, credit market infrastructure, information asymmetries and risk aversion.

A sound and stable financial sector is an important prerequisite for Bangladesh to increase its financial intermediation in a sustainable manner. State-owned commercial banks (SOCBs) today account for a quarter of the banking system's assets (compared with three-quarters 20 years ago). Their sub-optimal performance adversely impacts overall efficiency of the financial sector and leads to fiscal costs for the government. The SOCBs are constrained by weak corporate governance and poor asset quality, and have been the subject of loan scams and embezzlements. While they continue to enjoy high public confidence, these vulnerabilities could lead to continued costs and inefficiencies. In addition to improving the SOCB's corporate governance and financial performance, measures to enhance internal controls, appraisal systems, and the overall regulatory and supervisory capacity of the banking sector will be vital for the sector's stability. Through financing and advisory services, the WBG is supporting government efforts to strengthen the foundations of Bangladesh's financial system and increase financial intermediation.

Education

While Bangladesh achieved remarkable success in enhancing access and equity in education, striving to universalize access for the remaining hard-to-reach children is an important policy imperative. Bangladesh is close to attaining universal access to primary education, and attained gender equity at the primary and secondary education levels well ahead of the Millennium Development Goal (MDG) target for 2015, reducing repetition and dropout rates and achieving reasonably high levels of completion in primary education. Still, gross enrollment rates of the poor lag those of the non-poor. Out of 10 primary students who enter school in Bangladesh, only about seven or eight students reach grade 5, and only five of 10 students reach grade 10. Children living in urban slums in particular suffer from both demand and supply-side constraints.

Improving skills and productivity are crucial to Bangladesh's quest to accelerate economic growth and create more and better jobs in the formal sector for its expanding workforce. Ensuring further improvements in the quality of education can help propel the economy into the next phase of higher productivity-led growth. Improvements in the quality of education has a significant impact on economic and social development. Yet learning achievements continue to be quite low in Bangladesh: a recent assessment of literacy and numeracy in grade 5 indicates that only 25 and 33 percent of grade 5 students master Bangla and Mathematics competencies, respectively, with students from poor households generally doing much worse. Learning inequities begin early, and continue throughout students' lifetimes. Nearly 90 percent of the labor force in Bangladesh is informal and has low levels of education; less than 5 percent of the current workforce has tertiary education. Due to lack of standards and limited partnerships with employers, neither the higher education system nor the technical and training available are adequately equipped to respond to changes in demand and quality standards both in the domestic labor market and overseas where the vast majority of Bangladesh's emigrant workers are employed in low-skilled jobs. As the leading development financier in Bangladesh, the WBG is providing financing across all the education sub-sectors, including pri-

mary, secondary, tertiary, and vocational training. In addition, the Bank will, for the first time, support colleges in the areas of quality, governance, and management.

Health

Bangladesh has made remarkable progress on most health outcomes, especially regarding maternal and child health, most likely achieving the MDG goals 4 (reduce child mortality) and 5 (improve maternal health). The maternal mortality ratio has declined by 40 percent since 2001, to 194 deaths per 100,000 live births in 2010. The under-5 child mortality rate has declined by 29 percent since 2004, to 53 deaths per 1,000 live births in 2011. These achievements are the result of health policies related to immunization, oral rehydration salt therapy, and family planning, and can also be attributed to non-health policies and interventions, such as the increase in female literacy, access to microcredit, access to safe drinking water, and rural infrastructure development.

However, health outcome gaps vary considerably by income group, and the health system now faces new challenges due to rapid urbanization, shifts in the burden of disease, and climate change. For example, the percentage of children who are stunted among the poorest quintile (above 50 percent) is much higher than the national average. Moreover, health outcomes for the poor in Dhaka are worse than they are for the rural poor, especially among those living in urban slums. Changing patterns of employment also pose new challenges—for instance, the RMG work environment exposes workers to health hazards that may result in injuries, respiratory diseases and other ailments. Communicable diseases such as respiratory infections and tuberculosis were among the predominant causes of death in the country in 2010. However, Bangladesh is undergoing a rapid demographic and epidemiological transition, with an increasing adult and elderly population and the associated increase in chronic or non-communicable diseases, including injuries. Against this backdrop, total public and private health expenditure, as a share of GDP, is one of the lowest in the region. Bangladesh spent 3.5 percent of its GDP on health in 2012, much lower than the average for low-income countries (5 percent). Complemented by strong donor support, the WBG is supporting a

sector-wide approach (SWAp) in health, designed to strengthen the government's health systems and improve health services, particularly for the poor.

Gender and Inclusion

Despite high levels of poverty, political turmoil and frequent natural disasters, Bangladesh stands out in South Asia with impressive gains in gender equality. One remarkable achievement has been in girls' education—though gains in health have been equally impressive. Bangladesh dramatically lowered its fertility rates, from 6.1 in 1971 to about 2.3 children per woman today. The gender gap in infant mortality has closed and overall child mortality rates have rapidly come down, due to good immunization coverage, diarrhea control and water and sanitation facilities. Bangladesh also shows progress in the more stubborn area of maternal mortality. One of the most dramatic transformations in the past decade has been women's enhanced role in the economy. The female labor force participation rate has increased rapidly since 2003 and is expected to rise further in the coming years due to ongoing socioeconomic transformation at home and increased demand for labor intensive goods from abroad. Female employment has been particularly robust in some sectors, including in the garment industry and public service sectors, such as teaching and health care. Quotas that were established for women in local governments in the 1990s have transformed power relations at the local level, as female elected leaders have grown in experience.

But a number of challenges remain: early marriage of young girls, especially among the poor, poses a significant constraint to increasing female labor force participation. Early marriage also leads to early motherhood, resulting in a vicious cycle of poor families having children with poor health and education outcomes, and continued impoverishment. Where possible, the WBG is integrating gender sensitive designs in its operations to ensure women benefit from targeted interventions, particularly in public service delivery. In addition, a gender and social inclusion report is under preparation that will survey the status of women and inform the design of future lending and knowledge activities.

WORLD BANK PROGRAM IN BANGLADESH

Bangladesh joined the International Development Association (IDA) in 1972, one year after the country's independence. IDA has consistently been the most significant development partner in volume terms, providing almost \$10 billion in support for policy reforms and investment projects in Bangladesh and accounting for more than one-quarter of all foreign aid to the country during this period. Under the IDA 17 cycle, which spans FY2015-2017, Bangladesh is the largest recipient of IDA resources, with an indicative total allocation of about SDR 2.8 billion (\$3.9 billion equivalent) or 9.7 percent of all IDA 17 resources.

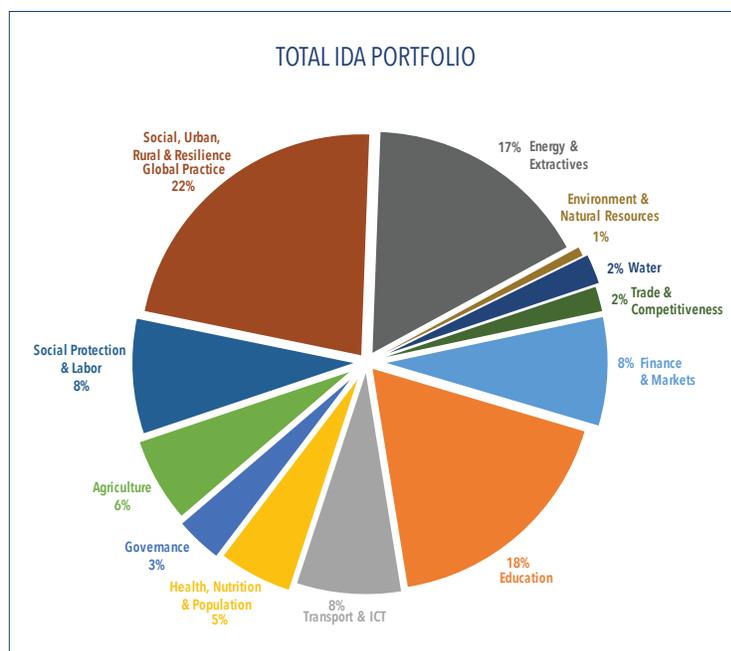
A new Country Partnership Framework (CPF) was delivered in FY2016, which focuses WBG support on addressing key policy areas identified in the Systematic Country Diagnostic. It has the primary objective of increasing engagement in the five *transformational priorities* that are critical for accelerating Bangladesh's progress towards the goals of reducing extreme poverty and promote shared prosperity - energy; inland connectivity and logistics; regional and global integration; urbanization; and adaptive delta management. In addition, the WBG will build on the existing portfolio to focus on the *foundational priorities*, which are important prerequisites for sustained growth (macroeconomic stability; human development; and institutions and business environment). The CPF is aligned with the Government's planning cycle and will support select national priorities identified in the 7th Five Year Plan for FY2016-2020.

The current World Bank portfolio consists of 41 projects, for a total commitment of \$8.34 billion (as of September 15, 2016). The portfolio includes 38 IDA operations and 3 recipient-executed trust funds. In addition, there are 55 Advisory Services and Analytics activities amounting to \$16.5 million. The top three sectors in the IDA portfolio are in social, rural, and urban; (22 percent), education (18 percent), and energy (17 percent). The top three sectors where advisory services and analytical support are provided are governance (26 percent), social, urban, and rural (17 percent), and trade and competitiveness (11 percent).

11 projects with a commitment value of \$1.3 billion were approved in FY2016. The projects focused on: strengthening financial institutions, expanding energy, improving transportation, promoting higher education access and quality, providing housing for low income communities, improving weather monitoring, and strengthening public procurement.

The WBG is regarded as a source of high quality analysis on key development themes. Among those being prepared is the ongoing multi-sectoral study on greater Dhaka urban development. This study is intended to help shape a vision for more sustainable urban and economic development, for the growing Dhaka population, which at present is about 17 million. The World Bank is also about to complete a multi-sectoral analysis for the future management of the Bangladesh delta, taking into account vulnerability to climate change.

IDA and the International Finance Corporation (IFC) are collaborating in both advisory services and investment finance. Joint advice has been concentrated on economic zones, export-processing zones, banking-sector reforms and tax modernization. IFC and IDA are also actively engaged in supporting efforts to attract foreign investors relocating from China, with the goal of drawing 15 million jobs to Bangladesh.



INTERNATIONAL FINANCE CORPORATION (IFC)

- The IFC in Bangladesh focuses on long term private sector development by providing financing to projects and companies, as well as advisory services in strategic areas. IFC has also significantly stepped up its engagement, with annual long term finance investment commitments rising from \$37 million in FY12 to \$635 million in FY16, with the goal of increasing annual commitments to \$1 billion a year by 2019.

The Advisory Services program, worth \$13 million a year in funding, is provided by the UK Government, the European Union, the Norwegian Agency for Development Cooperation, the Dutch and other donor partners. IFC Advisory works in agriculture, infrastructure, financial markets, investment, climate and energy efficiency.

IFC Highlights in Bangladesh

- The committed portfolio has grown three-fold in past five years to approximately \$1 billion in, loans, equity and guarantees.
- Financing has been provided for over 1,000 megawatts of base power supply.
- Project development equity and financing for Excelerate LNG Terminal and for off-shore Floating Storage Regasification Unit and been provided to increase the country's gas supply by 25-30%.
 - IFC has supported quality health-care, providing \$35 million to STS Holdings for a 346 bed hospital in the port city of Chittagong.
 - Long term funding of \$40 million has been provided to local banks for textile factory structural and fire safety improvements.
 - IFC is partnering with GIZ to provide access to cleaner and safer lighting options to 70 million off-grid users.
 - Finance lines, direct investment, Better Work Bangladesh, and the Partnership for Cleaner Textiles are contributing towards increasing the

competitiveness of the Ready Made Garments sector.

Energy and Infrastructure:

IFC has been in the energy and infrastructure development over the last 3 to 4 years. With two committed gas-fired power projects (total 450 MW), IFC is working on two more mandated gas-fired power projects for an additional 595 MW.

To help Bangladesh meet domestic gas supply needs, IFC is supporting increased supply of natural gas to Bangladesh by promoting: (i) upstream gas companies; and (ii) liquefied natural gas (“LNG”) regasification infrastructure to supplement domestic gas supply with imported LNG. IFC is currently working on two LNG regasification projects: (i) off-shore, with Excelerate Energy (agreement signed in June 2015); and (ii) onshore, in collaboration with the Power Division of the Ministry of Power, Energy and Mineral Resources.

Each of these LNG projects, once completed, will have the capacity to supply sufficient gas for 3,000 MW of power generation.

Representative Projects:

- Bibiyana II Power: Senior Loan of US\$75 million was committed in April 2015. The project is a 341 MW gas-fired power generation project. Shareholders are Summit Group (80%) and GE Energy (20%).
- United Power: The Project, signed in May 2016, is a 170MW gas based power generation project. Shareholders are United Group (79%) and Ashuganj Power Station Company Ltd. (21%), and IFC has received its Board approval to provide \$41 million in Senior Loan.
- Sirajganj Power: IFC plans to invest \$103 million of debt financing for the construction of a Greenfield 414 MW dual-fuel (gas and high speed diesel) combined cycle power plant to be located in Sirajganj, Bangladesh. Shareholders are Sembcorp (71%) and North West Power Generation Company Ltd. (29%).
- Excelerate Off-shore LNG InfraVentures: Joint Development Agreement (“JDA”) was signed in June 2015. Excelerate Energy L.P. and IFC will co-develop a floating LNG storage and regasification import terminal in off-shore south eastern Bangladesh.

- IFC, IFC Emerging Asia Fund and EMA Power have signed an agreement with Summit Group to invest \$175.5 million aimed at increasing Bangladesh’s power generation capacity. This investment will enable Summit Group to install green-field electricity-generation plants, including a 500 MW dual-fuel combined-cycle power plant and a 150 MW heavy fuel oil-based power plant.

In telecom, IFC has also been active having committed \$345 million financing for Grameenphone in 2012 and \$99 million to Robi Axiata in 2016.

Expanding Trade and Finance:

IFC provides debt, equity, and guarantee products in financial institutions, infrastructure, agribusiness, and manufacturing, and in companies that generate employment, fuel growth, and spur innovation.

It also promotes environmentally friendly financing and has helped financial institutions develop simple procedures to invest in SMEs.

IFC’s Global Trade Finance Program (GTFP) provides guarantees, taking political and commercial payment risk of international trade transactions undertaken by Bangladeshi commercial Banks. More than \$1.3 billion of trade flows have been supported under GTFP in the last 10 years.

Launched with three portfolio clients, BRAC Bank, Eastern Bank and Southeast Bank, the Working Capital Systemic Solution (WCSS), supported SMEs with more than \$350 million in the last five years.

IFC-supported bKash, a joint venture of BRAC Bank of Bangladesh and Money in Motion of the USA, focuses on ensuring access to a range of financial services for the unbanked people of Bangladesh.

In two and a half years, bKash, now the third-largest mobile payments operator in world, has attracted 5.2 million users and is adding 11,000 users per day.

Improving the Business Environment:

IFC seeks to improve the investment climate for private sector investors and attract more FDI to Bangladesh, expanding opportunities for all investors. The Bangladesh Investment Climate Fund fa-

cilitated \$427 million in private investment, 46,000 new jobs and released \$324 million that was tied-up through better contract enforcement. A long-term partnership with UK DFID has supported investment climate advisory and will expand to a further 5-year, \$26 million advisory program to promote private investment in infrastructure and serviced land for manufacturing, and boost trade competitiveness for export diversification.

Making Agriculture Sustainable:

To help ensure food security and climate change adaptation, IFC is working with partners and farmers in the seeds sector, supporting climate-resistant agriculture. In the poultry sector, we help farmers convert poultry waste to electricity and have trained farmers to increase their chances of getting funds. PRAN, a leading Bangladesh agriculture company, was the first in the private sector to use the IFC-managed Global Agriculture and Food Security Program, GAFSP, aimed at improving rural livelihoods and ensuring food security. The GAFSP contributes to the achievement of the U.N. Millennium Development Goals to cut hunger and poverty in half by 2015.

Safer and Cleaner Textile Factories:

Bangladesh is the second largest exporter of apparel in the world with export sales of \$26 billion and the sector accounts for 20 percent of the country's GDP. There are more than 4,000 garment factories which employ over 4.4 million people, of which 85 percent are women. The sector has a vision to become a \$50 billion industry by 2021 and would require significant improvements in labor standards, productivity and reliable supply of energy and water to achieve these goals.

IFC is promoting cleaner production and resource efficiency in the textiles and apparel sector. The first phase of a cleaner production project with 18 factories in Bangladesh led to savings of \$2 million and 1.26 million cubic meters of water through resource efficiency measures. Estimates show that if the industry's 1,700 textile wet-processing units adopt cleaner production measures, they can save up to \$70 million and 10.5 billion liters of water a year – a significant measure in a country where 31

million people do not have access to clean water.

Factory disasters that hit Bangladesh in 2012 and 2013 prompted IFC to combine its advisory and investment expertise to identify innovative ways to further support the RMG sector and ramp up worker safety. In Bangladesh, the joint IFC-ILO Better Work program now reaches 100+ factories, employing over 200,000 workers. Better Work aims to reach 500 factories over the next few years to improve social dialogue and working conditions, to increase competitiveness in the global market.

We partnered with international apparel brands to roll out a new kind of supplier financing product, a \$500 million Global Trade Supplier Finance program. Partnering with global brands and buyers like Levi's, Puma, and Kik, the program offers lower interest rates to suppliers that score better in labor, health, safety, and environmental performance. IFC is also providing long-term funding totaling up to \$40 million to 4 local banks, to be exclusively used for on-lending to RMG factories to strengthen safety infrastructure.

IFC has directly invested with 3 leading ready-made garment manufacturers (Ananta Apparels, DBL Color City, and Epyllion), who have demonstrated global good practices in standards, safety, working conditions and resource efficiency.

MULTILATERAL INVESTMENT GUARANTEE AGENCY (MIGA)

MIGA's current portfolio in Bangladesh consists of one active project with a total guarantee amount of \$251 million. It was approved in 2012 to support a financing package arranged by HSBC of the United Kingdom to Ashuganj Power Station Company Limited, a state-owned utility. The financing is for the construction of the 450 MW combined-cycle gas-fired Ashuganj South power plant, which is expected to provide nearly 12,000 households with electricity. MIGA's contribution will provide coverage against the risk that sovereign financial obligations will not be honored, for a period of up to 13.5 years.

BANGLADESH: CLEAN AIR AND SUSTAINABLE ENVIRONMENT (CASE) PROJECT

KEY DATA:

Approved: May 12, 2009

Effective: Aug 19, 2009

Closing: Dec 15, 2016

FINANCING (\$ MILLION)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	62.2	86.96%	13.04%
GoB	9.05		
Total cost	71.25		

PROJECT BACKGROUND:

Dhaka ranks high among the world's major cities in terms of poor urban air quality. Substantially reducing air pollution could save up to 3,500 lives and avoid up to 230 million cases of respiratory diseases annually in Bangladesh. In economic terms, this is equivalent to around \$500 million in health care costs and reduced productivity per annum.

The Clean Air and Sustainable Environment project (CASE) is the first program of its kind to tackle pollution from two of the country's biggest polluters, brickfields and urban transport, as well as ensure safe mobility for people in the capital. The project directly tackles pollution by encouraging the adoption of cleaner brick manufacturing technologies that require less energy. The project also encourages research into technology alternatives to bricks such as non-fired bricks. In addition the project provides technical support (i) to strengthen environmental laws that introduce stricter standards and stronger "polluter pays" principles for industrial pollution (ii) to the newly established Air Quality Wing (AQW) at the Department of Environment (DoE), that is responsible for air quality monitoring, data analysis and reporting and public information and overall management.

In urban transport, the project is demonstrating safe pedestrian mobility in Dhaka by (i) rehabilitating and improving sidewalks (ii) constructing foot over bridges and (iii) traffic management measures by improving intersections, installing traffic signals and training the traffic police.

BACKGROUND AND OBJECTIVES:

The Clean Air and Sustainable Environment (CASE) Project aims to improve air quality and safe mobility in Dhaka through the implementation of demonstration initiatives in urban transport and brick-making. CASE components include:

- Encouraging the adoption of cleaner and more energy-efficient brick manufacturing technologies such as converting to improved kiln alternatives and launching 12 demonstration projects. The project also encourages research into alternatives to bricks such as micro-concrete, while helping the government strengthen environmental laws and providing support for the newly established Air Quality Management section responsible for air quality monitoring, data analysis, and reporting.
- Promoting safe pedestrian mobility in Dhaka by rehabilitating and improving sidewalks with drainage, constructing foot bridges; improving traffic management by upgrading intersections, installing traffic signals and training police in enforcing them; supporting studies for Bus Rapid Transit (BRT) Line 3.

KEY EXPECTED RESULTS AND ACHIEVEMENTS:

- Installation of 11 Continuous Air Quality Monitoring Stations (CAMS) in eight cities to monitor major air pollutants and generate real-time air quality data.
- Completion of eight clean and energy-efficient brick kiln pilots, with another two underway.
- Air Quality Index (AQI) regularly published in project website (www.case-moef.gov.bd).
- Brick Manufacturing and Kiln Construction Control Act approved in 2013 and the relevant rules at the final stage of preparation.
- Completion of 65 kilometers of sidewalk and road improvement, and 36 intersection improvements.
- Construction of 21 footbridges, with four others being built.
- Installation of 62 traffic signals connected with solar panel and battery.
- IMPLEMENTING AGENCY:
 - Ministry of Environment and Forest, Department of Environment, Dhaka South and North City Corporations, and Dhaka Transport Coordination Authority.

IMPLEMENTING AGENCY:

Ministry of Environment and Forest, Department of Environment, Dhaka South and North City Corporations, and Dhaka Transport Coordination Authority.

BANGLADESH: CLIMATE CHANGE RESILIENCE FUND (BCCRF)

KEY DATA: \$184 MILLION MULTI-DONOR TRUST FUND

Established May 31, 2010.
End disbursement June 30, 2017

FINANCING

Recipient executed projects (Active):	Approval	Closing
Community Climate Change	July 2012	Dec. 31, 2016
Solar Irrigation	Sept, 2012	Dec. 31, 2016
Climate-Resilient Participatory Afforestation and Reforestation	Feb. 2013	Dec. 31, 2016

BACKGROUND AND OBJECTIVES:

Bangladesh is one of the countries most vulnerable to the potential impacts of climate change. To address this challenge, Bangladesh launched its Climate Change Strategy and Action Plan (BCCSAP) in 2009 to build a medium- to long-term program for enhancing resilience to climate shocks and facilitating low carbon and sustainable growth. To support implementation of the BCCSAP, seven development partners established the Bangladesh Climate Change Resilience Fund (BCCRF) in 2010, with the World Bank acting as trust fund administrator. The fund will close in June 2017. About \$40 million of unprogrammed funds were refunded in 2016 following donor requests.

The objective of the BCCRF is to support implementation of the BCCSAP, a 10 -year program (2009-2018) aimed at building the capacity and resilience of the country to meet the challenge of climate change. Sectoral ministries are implementing four investment projects:

- Cyclone shelters (\$25 million);
- Solar irrigation (\$10 million);
- Afforestation (\$33.8 million); and
- Community climate change (\$12.5 million). A number of studies on climate change have also been undertaken.

ACHIEVEMENTS AND EXPECTED RESULTS:

- 61 new multipurpose cyclone shelters built in climate-vulnerable areas. These are now complete.
- 45,000 farmers provided with access to clean energy services for irrigation pumping.
- 17,000 hectares of land reforested or afforested.
- 40,000 climate vulnerable people receive resilient investments/advice to build climate adaptive capacity.

IMPLEMENTING AGENCY:

Local Government Engineering Department – Multipurpose Cyclone Shelter (activity completed).

Palli Karma-Sahayak Foundation – Community Climate Change Project

Infrastructure Development Company Limited – Solar Irrigation

Department of Forestry –Afforestation and Reforestation

KEY PARTNERS:

U.K. Department for International Development, European Union, Sweden, Australia, Denmark, Switzerland, United States.

BANGLADESH: COASTAL EMBANKMENT IMPROVEMENT PROJECT-PHASE 1

KEY DATA:

Approved: June 26, 2013
Effective: Nov 24, 2013
Closing: Dec 31, 2020

FINANCING (\$ 400 MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	375	4.66%	95.34%
GoB			
CIF	25	34.85%	65.15%
Total cost	400	6.55%	93.45%

PROJECT BACKGROUND:

Bangladesh's coastal zone spans over 580 kilometers and includes territory where 28 percent of the population resides. A higher percentage of the population lives below the absolute poverty line in the coastal area than in the rest of the country. A recent World Bank study on the cost of adapting to extreme weather estimated that eight million people are currently vulnerable to inundation depths greater than three meters due to cyclonic storm surges. This number will increase to 13.5 million people by 2050. There is an urgent need to rehabilitate and upgrade protection polders – areas of low-lying land - and enhance the resilience of coastal areas to cyclones, tidal and flood inundations, and salinity intrusion.

Coastal embankments are an integral part of the disaster risk reduction program for Bangladesh. There is clear evidence that embankments provided an effective buffer during the tidal surge resulting from Cyclone Sidr in 2007, damages and losses were much lower and lives were saved in areas where effective embankments were present.

BACKGROUND AND OBJECTIVES:

CEIP1 aims to: (i) increase the area protected in selected polders from tidal flooding and storm surges, which are expected to worsen due to climate change; (ii) improve agricultural production by reducing saline water intrusion in selected polders; and (iii) improve the government's capacity to respond promptly and effectively to a crisis or emergency. The Project has the following five components:

- Rehabilitation and Improvement of Polders.
- Implementation of Social and Environmental Management Frameworks and Plans.
- Construction Supervision, Project Monitoring and Evaluation, and Coastal Zone Monitoring.
- Project Management, Technical Assistance, Training and Strategic Studies.
- Contingent Emergency Response.

The project will rehabilitate 17 polders in six coastal districts. The rehabilitated polders will provide direct protection to the 760,000 people living within the polder boundaries and enhance the resilience of the coastal areas to cyclones, tidal and flood inundations, and salinity intrusion. This in turn will enhance people's livelihoods through increased agricultural production during normal weather and reduced loss of life, assets, crops and livestock in the event of a disaster.

KEY ACHIEVEMENTS AND EXPECTED RESULTS :

- Rehabilitation of 17 polders in six coastal districts: Bagerhat, Khulna, Satkhira, Barguna, Patuakhali, and Pirojpur
- 108,800 hectares to be protected
- Improved protection for 760,000 people living within polder boundaries.
- 623 km of embankment to be rehabilitated
- 794 km of drainage channel to be upgraded
- 129 drainage structures to be replaced or upgraded
- Poverty reduction and stimulated economic development from facilitating the growth of farm and non-farm activities in the coastal area.

IMPLEMENTING AGENCY:

Bangladesh Water Development Board, Ministry of Water Resources

KEY PARTNERS:

Pilot Program for Climate Resilience (PPCR, a fund within the Climate Investment Fund Framework).

BANGLADESH: CHITTAGONG WATER SUPPLY IMPROVEMENT AND SANITATION PROJECT

KEY DATA:

Approved: June 23, 2010
Effective: Oct 25, 2010
Closing: Dec 31, 2018

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	144.9	45%	55%
GoB	16.7		
Total cost	161.6		

**Project restructuring included cancellation of \$14.5 million of IDA credit*

BACKGROUND AND OBJECTIVES :

Chittagong, Bangladesh's second-largest city, suffers from inadequate water production and sewerage systems. The port city's water production capacity is only 40 percent of the estimated demand, and the pipe network is run down. A large percentage of the city continues to access water through shallow tube wells. The quality of this underground water is questionable, with high salt and iron levels posing health risks to the public. In addition, very little investment has been made into sanitation and storm water drainage since the late 1980s. Chittagong still does not have a water-borne sewage system or effective storm-water drainage service. The Chittagong Water Supply and Sewerage Authority (CWASA) lacks both the capacity and finance to establish these systems. The Bank helped CWASA develop its institutional capacity development program launched in June 2012.

The Chittagong Water Supply Improvement and Sanitation Project was restructured in February 2014 following the mid-term review held in December 2013. This included a small cancellation and a reduction in the scope of investment activities. In June 2015, the project was restructured a second time to extend the closing date of the project to December 31, 2018.

The project aims to increase access to safe water and improve CWASA's institutional capacity and investment planning for sanitation and drainage in Chittagong. It supports major interventions in treated water production, transmission and distribution including the construction of a water treatment plant in CWASA's development plan and the rehabilitation and extension of the water distribution system. The support includes studies to update the sewerage master plans and drainage master plans for Chittagong, as well as capacity building at operational levels to improve the efficiency of overall service delivery. Project performance is primarily driven by major works packages that account for about 80 percent of the restructured project.

KEY EXPECTED RESULTS AND ACHIEVEMENTS:

- Construction of Modunaghat Water Treatment Plant and installation of distribution and transmission mains are ongoing according to work plan.
- Construction on Kalurghat Booster Station has been completed.
- Contracts for all key technical assistance activities, including for the sanitation and drainage master planning and for utility modernization, have been signed and are advancing well.
- 100 percent of all project funds are now committed.
- Water now available in five low-income communities.
- 150,000 people will be provided with access to improved water sources by project closing.
- CWASA has ensured 85 percent O&M cost coverage cost from direct water sales revenue.
- Project to prepare \$150 million of priority sanitation and drainage investments for financing.

IMPLEMENTING AGENCY:

Chittagong Water Supply and Sewerage Authority (CWASA).

KEY PARTNERS:

CWASA.

BANGLADESH: EMERGENCY 2007 CYCLONE RECOVERY AND RESTORATION PROJECT

KEY DATA:

Approved: November 06, 2008

Effective: December 24, 2008

Closing: December 31, 2017

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA	305.78	81.52%	18.48%
GoB	1.66		
BCCRF	23.06	100.0%	100.0%
GFDDR	3	100.0%	100.0%
KfW Parallel Fin.	4.86	100.0%	100.0%
Total Project Cost	338.36		

BACKGROUND AND OBJECTIVES:

On November 15, 2007, Cyclone Sidr made landfall across the southern coast of Bangladesh, causing extensive damage to lives and property. Overall, around 30 districts and nine million people were affected by the storm. Total damage and losses were estimated at about \$1.7 billion.

The project will support government efforts to facilitate recovery from the damage to livelihoods and infrastructure caused by Cyclones Sidr in 2007 and Aila in 2009, and strengthen disaster risk reduction and management. The project has six components: (i) restoration of the agriculture sector in Sidr/Aila-affected areas; (ii) improvement of existing multipurpose shelters and construction of new shelters; (iii) rehabilitation of coastal embankments; (iv) strengthening the capacity of the government's disaster risk reduction management; (v) monitoring and evaluation to ensure effective implementation of the sub-projects; and (vi) a project management component to support the government in coordinating all project-related activities, strategic studies for the preparation of future operations for the long-term disaster risk reduction program, and technical assistance and training, as well as providing emergency support for future disasters during implementation.

ACHIEVEMENTS AND EXPECTED RESULTS:

- Activities to restore the agriculture sector (under the first component of the project) were completed successfully in 2014. The activities exceeded targets, with crops by 33 percent, livestock by 13 percent and fisheries by 30 percent. 38,000 households have been provided with livestock and 37,000 with aquaculture inputs.
- 104,700 farmers have been trained through farmers field schools (FFS) on various new and improved technologies.
- 63 new and improved technologies (crops – 36, fisheries – 15 and livestock – 12) have been introduced.
- 230,000 households have been provided with field crops, irrigation and farm machinery
- 224 new disaster shelters have already been constructed. In total 353 new shelters will be constructed.
- Improvement of 389 existing multipurpose disaster shelters have been completed and 71 existing shelters is near to completion. 460 existing shelters will be improved by the end of the project.
- 387 km of embankment has been repaired and an additional 56 km is near to completion. In total 502 km of embankment will be rehabilitated by the end of the project.
- A Multi-hazard Risk and Vulnerability Assessment (MRVA) Report is near to finalization.
- The project also prepared feasibility reports for future investments. Of those, the Multipurpose Disaster Shelter Project, Coastal Embankment Improvement Project, and the Modern Food Storage Facilities Project are now under implementation.

IMPLEMENTING AGENCY:

Local Government Engineering Department (LGED), Ministry of Local Government Rural Development & Cooperatives; Bangladesh Water Development Board (BWDB), Ministry of Water Resources; Department of Disaster Management (DDM), Ministry of Disaster Management and Relief; Project Coordination and Monitoring Unit (PCMU), Programming Division, Ministry of Planning; Food and Agriculture Organization (FAO) (FAO implemented on behalf of: Department of Agricultural Extension (DAE), Ministry of Agriculture; Department of Livestock Services (DLS) and Department of Fisheries (DoF), Ministry of Fisheries and Livestock and the Ministry of Food).

KEY PARTNERS:

Bangladesh Climate Change Resilience Fund, Global Facility for Disaster Reduction and Recovery, and KfW.

BANGLADESH: HIGHER EDUCATION QUALITY ENHANCEMENT PROJECT

KEY DATA:

Approved: Mar 17, 2009
Effective: May 13, 2009
Closing date under Additional Financing (AF): December 31, 2018
PDO & IP ratings: MS, MS

FINANCING:

Financier	Financing*	Disbursed	Undisbursed
IDA Credit (Orig.)	81	99.7%	0.3%
GoB	10.8		
Total cost	91.8		
IDA Credit (AF)	125	32%	68%
GoB (AF)	21.3		
Total Cost (AF)	146.3		
Total (Orig. + AF)	238.1	74.0%	26.0%

BACKGROUND AND OBJECTIVES:

The Bangladesh government allocates about 2.2 percent of GDP to education, but just 0.2 percent is dedicated to tertiary education. With 85 percent of the tertiary education budget feeding into recurring expenditures, development programs for promoting and establishing research and innovation in higher education institutes (HEIs) remain under-funded. There is still no effective mechanism linking university research with industry and business at home or abroad. Low connectivity and inadequate information and communication technology further limit knowledge exchanges and collaboration among HEIs and their researchers with local and global research platforms.

The Project's objective is to improve the quality and relevance of the teaching and research environment in higher education institutions by encouraging innovation and accountability and by enhancing the technical and institutional capacity.

It will do so by promoting academic innovation among eligible public and private universities through a competitive funding mechanism known as the Academic Innovation Fund (AIF). The AIF is granted through four windows: (i) improvement of teaching and learning; (ii) enhancement of research capabilities at the universities; (iii) university-wide innovations including establishment of Technology Transfer Office; and (iv) innovation and university-industry collaboration. The project also supports the establishment of quality assurance mechanisms at national and institutional levels for the tertiary education sector. In addition, the project has established the Bangladesh Research and Education Network (BdREN), which connects universities to high-speed data communications network, enabling teachers, researchers, and students to access the latest knowledge, inter-university video classes and engage in collaborative research. The University Grant Commission Digital Library has also been established and is operational with public and private universities.

KEY EXPECTED RESULTS AND ACHIEVEMENTS:

- 345 academic innovation grants awarded to 27 public and 9 private universities through 3 rounds. 10 university-industry collaboration grants to spur innovation have been awarded under Window 4. The AIF grants have supported research and innovations including enhanced methods for breast cancer detection, vaccination for farm animal disease, etc. as well as dissemination of new knowledge through production of 194 peer-reviewed academic journals.
- BdREN connectivity is fully functional at the University Grants Commission (UGC) and in 35 public and private universities.
- UGC Digital Library is fully operational, providing 42 member universities (33 public, 9 private) and 2 research institutions access to over 30,000 e-resources (research databases, e-journals, e-books).
- Quality assurance mechanism has been introduced through establishment of Institutional Quality Assurance Cells (IQACs) in 61 public and private universities, which are conducting around 800 self-assessments.

IMPLEMENTING AGENCY:

UGC, Ministry of Education

BANGLADESH: HEALTH SECTOR DEVELOPMENT PROGRAM (HSDP)

KEY DATA:

Approved: May 26, 2011
Effective: Oct 23, 2011
Closing: Dec 31, 2016

FINANCING (\$ MILLION):

Financier	Financing*	Disbursed	Undisbursed
IDA Credit	508.06	70%	30%
GoB	6,264		
Cofinancing	1,246.94		
Total Cost	8,011		

BACKGROUND AND OBJECTIVES:

Bangladesh has made remarkable progress in improving the health of the population, especially women and children. The country is on track to achieve child and maternal mortality Millennium Development Goals. Significant achievements have been made in the control of communicable diseases. The country conducted the world's largest measles-rubella campaign earlier in 2014, covering 53 million children. The World Health Organization recently declared Bangladesh a polio-free zone. Still, considerable development challenges remain. Non-communicable diseases represent a growing share of the total burden of disease. In addition to increasing cardiovascular disease and injuries, figures for malnourished women and children, although in decline, are still very high. There is growing concern about the rise in overweight individuals. Public spending on health is low in comparison to other countries, with out of pocket expenditures at 63.35 percent of total health spending. Catastrophic health expenditures push people into poverty. The population is rapidly urbanizing -- creating new challenges for the delivery of social and health services, particularly to the poor. The health workforce is insufficient and inefficiently distributed, the provision of health services is fragmented, and the quality of health care needs improvement.

The Health Sector Development Program (HSDP) aims to enable the Government of Bangladesh to strengthen health systems and improve services, particularly for the poor. It supports the government in providing essential health services, including reproductive health, family planning and antenatal care; scaling up emergency obstetric and newborn care services; and ensuring 24-hour services in district hospitals and selected health centers. The project also aligns multiple development partners to the country's priorities in health, nutrition, and population, and uses country systems for implementation and monitoring. It strengthens health-sector planning and resource management, human resource development, pharmaceuticals management, health information systems and the maintenance of health care facilities. In addition, HSDP seeks to improve the control and treatment of both communicable and non-communicable diseases through the provision of vaccinations, scaling up HIV/AIDS interventions for the most-at-risk groups, and improving the quality of treatment for tuberculosis and the control and treatment of malaria in 13 highly endemic areas. For non-communicable diseases, HSDP aims to improve awareness of cardio-vascular disease risks, provide better diagnosis and management of diabetes, and improve screening for cancer.

ACHIEVEMENTS AND EXPECTED RESULTS:

- The project has cut maternal mortality by 40 percent, down to 194 deaths per 100,000 live births in 2010.
- Child mortality has reduced by more than 50 percent, to 46 deaths per 1,000 live births in 2014.
- The project helped bring basic vaccination coverage of children younger than 23 months to approximately 84 percent in 2014.
- Skilled birth attendants were at 42.1 percent of births in 2014, up from 18 percent in 2007.

IMPLEMENTING AGENCY:

Ministry of Health and Family Welfare.

KEY PARTNERS:

Global Affairs Canada, Embassy of the Kingdom of the Netherlands, Department of Foreign Affairs, Trade and Development, KfW of Germany, Swedish International Development Cooperation Agency, U.K. Department for International Development, U.S. Agency for International Development, U.N. Population Fund, Embassy of the Kingdom of the Netherlands.

BANGLADESH: INTEGRATED AGRICULTURAL PRODUCTIVITY PROJECT

KEY DATA:

Approved: Sept 12, 2011

Effective: Sept 12, 2011

Closing: Sept.30, 2016

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit (incl GAFSP)	46.3	45.51	0.79 (1.72%)
GoB	17.2		
Total cost	63.5		

BACKGROUND AND OBJECTIVES:

Agriculture provides livelihoods more than 60 percent of the population of Bangladesh. Despite Bangladesh's success in reaching near self-sufficiency in food production, people living in the flash flood and drought-prone districts in the northwest and the saline-affected tidal surge areas in the south struggle to earn a living or produce enough food to eat. These regions suffer from higher poverty than the national average. The link between unfavorable agricultural environments, where farmers lack knowledge and technology, and chronic poverty, coupled with food insecurity, is abundantly clear in these areas.

The project aims to enhance the productivity of agriculture (crops, livestock, and fisheries) in selected agro-ecologically constrained and economically depressed areas.

It seeks to use technology and training to enhance agricultural production in the northern and southern districts affected by flash floods, drought and tidal surge areas affected by saline. The project focuses on alleviating poverty and increasing food security through increased production of major crops such as cereals, diversification of high-value non-cereal crops such as fruits and vegetables, and development of non-crop agriculture such as fishery, poultry, and livestock. Livelihood Field Schools improve farmers' understanding and skills base, and also demonstrate the use of improved technologies. The project also aims to release new and improved crop varieties and more productive fish species, and help farmers increase crop intensity by conserving and utilizing surface water and improving the availability and efficient use of irrigation water.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- The Department of Agriculture Extension formed about 10,500 Livelihood Field Schools and conducted more than 43,000 demonstrations on various crops and improved technologies.
- The Department of Fisheries formed 2,100 fish farmer groups and conducted 5,880 demonstrations on improved fish varieties and production technologies.
- Improved agricultural technologies adopted by more than 300,000 farmers, including improved irrigation for 27,750 ha.
- Release for use of 18 improved production packages for crops and 9 for aquaculture, as well as 15 improved various crop varieties (four improved varieties of Wheat, one hybrid of mustard, one pulses and five new rice varieties);
- BADC processed 3,500 tons of certified seeds in new facilities.
- About 300,000 farmers received training in different technologies under crops, livestock and fisheries.

IMPLEMENTING AGENCY:

Ministry of Agriculture and Ministry of Fisheries and Livestock.

KEY PARTNERS:

Global Agriculture and Food Security Program, Australia, Canada, Japan, Republic of Korea, the Netherlands, Spain, United Kingdom, United States, U.N. Food and Agriculture Organization.

BANGLADESH: INVESTMENT PROMOTION AND FINANCING FACILITY (IPFF)

KEY DATA:

Approved: May 2, 2006
Effective: Aug 24, 2006
Closing: Dec 31, 2015
Rev Closing: Dec 31, 2016

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	306	85.7%	14.3%
GoB	60		
Local Intermediary	190		
Total cost	556		

BACKGROUND AND OBJECTIVES:

Bangladesh's aspiration to become a middle-income country has been constrained by the large gap in infrastructure investment. Bridging the infrastructure gap has two major challenges: (i) low country capacity to conceptualize, design, and contract infrastructure ventures; and (ii) lack of long-term financing for successful closure of the infrastructure investment proposals. Key infrastructure ministries/agencies of the government have a long way to go before they can gather adequate technical and financial capacity to develop and implement the required infrastructure projects. Fiscal constraints on the government add on to financing side of the problem. As such, Government of Bangladesh has adopted the policy of promoting private sector participation in key infrastructure sectors, including energy and power, roads and bridges, information and communications technology, inland container terminal, river port and sea-port infrastructure. Public-private partnership (PPP) has been identified as an important tool to leverage the technical, financial, and project management resources of the private sector. The country's commercial-bank-dominated financial sector has historically been lending for shorter terms spanning over one - three years, extending these days to a maximum of five/six years. Limited financial capacity, risk of asset liability mismatch, and lack of integration to international debt markets have constrained the local financial institutions' ability to finance infrastructure projects for longer terms such as 10 to 15 years. As a consequence, infrastructure development programs, which are long-term in nature, had been suffering and the country needed Internal Development Association support with new lending facility to bridge the infrastructure gap.

This project was taken up to increase private-sector investment in infrastructure by working with key government agencies and local financial institutions (FIs), selected based on pre-set eligibility criteria. Under the facility, the FIs apply to Bangladesh Bank, the project's implementing agency, for partial debt financing, which they on-lend to private-sector sponsors awarded or licensed to implement infrastructure sub-project.

The objectives of the project are: (i) to supplement the resources of local financial institutions to provide long-term finance for infrastructure investment proposals; and (ii) to promote the role of entrepreneurs in infrastructure development. To this end, apart from the main on-lending component, the project provides for technical assistance in two streams: for institutional strengthening of the PPP Office of Government, and for development of pipeline sub-projects by supporting upstream activities including feasibility studies, transaction support, and preparation of bid documents. The overarching goal is to increase eligibility of the sub-projects for IPFF funding and impart good practices in project development in Bangladesh.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- Delivery of 12 fully operational power plants, adding over 550 megawatts (MW) of electricity to the national grid.
- Financing of three central water treatment plants in export processing zones of Chittagong, Adamjee and, Comilla.
- Support to a nationwide fiber optic cable network sub-project, which will expand Internet outreach and speed, and an inland container terminal in Chittagong.
- Ongoing support to the first ever private sector-led dry dock in the country

IMPLEMENTING AGENCY:

Bangladesh Bank, the central bank of the country.

KEY PARTNERS:

Finance Division, PPP Office of the Government, key infrastructure ministries.

BANGLADESH: IDENTIFICATION SYSTEM FOR ENHANCED ACCESS TO SERVICES (IDEA) PROJECT

KEY DATA:

Approved: May 10, 2011
Effective : August 28, 2011
Closing: December 31, 2017

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	171	43.8%	56.2%
GoB	2.01		
Total cost	173.01		

BACKGROUND AND OBJECTIVES

A reliable and authentic National Identification (ID) system serves as an efficient, secure data platform for delivering multiple public services. The Election Commission Bangladesh (ECB) has established a National Identity (NID) database, based on their internationally-accredited electoral roll database, and issued paper-laminated NID cards to about 90 million registrants.

The Project Development Objective is to establish a secure, accurate, and reliable national identification system in Bangladesh to serve as the basis for more efficient and transparent service delivery. The IDEA Project has established a secure, accurate, and reliable national identification (NID) management system in Bangladesh to serve as the basis for more efficient, inclusive, and transparent service delivery. The NID system is providing identity authentication services (online, offline and biometric) to number of citizens' service delivery agencies. Any agency delivering services to citizens in Bangladesh can now greatly reduce their transaction costs by efficiently identifying their clients and maintaining their own databases of users/customers.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- The NID database contains around 100 million (49.58% female and 50.32% male) registrants.
- Now 62 agencies are using ID authentication service of the NIDW. There are 10 public agencies and 52 private sector agencies.
- All 6 mobile phone operators of Bangladesh have started using online biometric identity authentication service for their users' SIM registration and replacement.
- The Finance Division of the Government has emerged as an important and busy user of the system like the National Board of Revenue (e-TIN). They required all civil servants and pensioners to use the NID number and identity authentication with the NID system.
- The mapping of the 17-digit NID number containing year of birth and geographical information of citizens into 10-digit Unique Identification Numbers has been completed.
- Some 90 million paper-laminated cards will soon be replaced by smart NID cards which have robust security features. The center for the personalization of smart NID cards has been set up and the mass production of the smart cards has started.

IMPLEMENTING AGENCY:

National Identity Registration Wing, Bangladesh Election Commission

KEY PARTNERS:

Not applicable

BANGLADESH: INCOME SUPPORT PROGRAM FOR THE POOREST

KEY DATA:

Approved: December 16, 2014

Effective: April 16, 2015

Closing: June 30, 2020

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	\$283.6	1.8%	98.2%
GoB	\$ 3.37	0	100%
Total cost	\$286.97	1.8%	98.2%

*\$ millions; as of June 30, 2016; revised amount after partial cancellation

BACKGROUND AND OBJECTIVES

Although Bangladesh has made remarkable progress in poverty reduction and human development outcomes, extreme poverty and vulnerability remain stubborn problems. The country ranks sixth in the world on prevalence of stunting. The incidence of low birth weight is also among the highest at 22 percent, with maternal under-nutrition at about 24 percent. The poor, in particular, experience under-nutrition. Improving nutrition and cognitive development opportunities for poor children is critical to arrest intergenerational transmission of poverty and presents an early window of opportunity to address inequality and improve outcomes later in life. Failure to invest adequately in the wellbeing of children from an early age has long-term implications for children and society as a whole, because it increases the likelihood of poverty in adulthood and perpetuates intergenerational transmission of poverty.

The Income Support Program for the Poorest Project (Jawtno) is a cash transfer program that provides income support to poor mothers in selected locations while: (i) increasing the mothers' use of Child Nutrition and Cognitive Development services and (ii) enhancing local-level capacity to deliver safety nets. Quarterly cash transfers will be made to eligible households based on their fulfillment of co-responsibilities linked to the growth and development of their young children (up to age 5). These include: (i) utilization of antenatal care services up to four times during pregnancy; (ii) use of growth monitoring and promotion services; and (iii) attendance at child nutrition and cognitive development awareness sessions. The average size of the monthly benefit is between \$15-23, depending on the beneficiary profile, and falls within 20 percent of the estimated monthly per capita expenditure of the target population. In keeping with the government's family planning policy, only the first and second born children will be eligible, to help prevent distorted incentives.

The project also provides technical assistance to the implementing agency to facilitate administration and implementation of the cash transfer program, which includes building partnerships with the Ministry of Health and Family Welfare for the use of community clinics to deliver services and with the Ministry of Post and Telecommunications for the use of biometric Post Office cash cards for beneficiary payments. A robust monitoring and evaluation framework has also been designed to assess progress in achieving the project's objectives through third party monitoring and evaluate the impact of cash transfers on household poverty and children's health outcomes.

ACHIEVEMENTS AND EXPECTED RESULTS:

- Project locations have been identified based on poverty and malnutrition criteria. The project will be implemented in 43 upazilas (sub-districts) across northern Bangladesh reaching up to 600,000 mothers and their families.
- Partnership arrangements have been finalized with Ministry of Health and Family Welfare for service delivery at local Community Clinics; Ministry of Post and Telecommunications for electronic cash transfers through Post Office cash cards, and Bangladesh Bureau of Statistics for use of household poverty data.
- Central and field level staffing is completed.
- Comprehensive child nutrition and cognitive development curriculum drafted and to be consulted on with wide range of stakeholders ahead of finalization.
- Cash transfers and services tentatively expected to commence in December 2016.

IMPLEMENTING AGENCY:

Local Government Division, Ministry of Local Government and Rural Development & Cooperatives.

KEY PARTNERS:

Ministry of Health and Family Welfare, Ministry of Post and Telecommunication and Bangladesh Bureau of Statistics are key partners of the Local Government Division and will be providing a variety of services for the project.

The Children's Investment Fund Foundation has recently approved \$1.1 million towards the cost of the impact evaluation of the project. Innovations for Poverty Action has also expressed interest in partnering on the project evaluation and discussions are ongoing. Several trust funds have also been secured to provide technical assistance to the project, including the Early Learning Partnership and Rapid Social Response funds

BANGLADESH: LEVERAGING ICT FOR GROWTH, EMPLOYMENT, AND GOVERNANCE

KEY DATA:

Approved: Sep 20, 2012
Effective: Jan 24, 2013
Closing: Dec 31, 2017

FINANCING:

Original Loan/Credit Amount: SDR 44,200 (\$ 70 million)
Revised Loan/Credit Amount: SDR 39,997,500 (\$ 55.95 million)

Financier	Financing (\$, millions)	Disbursed	Undisbursed
IDA Credit	55.95	50%	50%
GoB	1		
Total cost	56.95		

BACKGROUND AND OBJECTIVES:

Bangladesh's information and communications technology (ICT) industry has developed significantly over the past decade. The government recognizes the need to leverage electronic government (e-government) for public service delivery and to facilitate its reform efforts. However, the lack of shared IT hosting infrastructure, governance policies, and standards and structures present a major barrier to providing seamless electronic services and improving the public sector's effectiveness and efficiency. The information technology (IT) industry sub-sector has also remained relatively nascent as compared to the telecommunications sub-sector, with total industry output estimated at \$300 million per annum at the project's initiative.

The project will establish e-government foundations and institutional capacity for the government to leverage ICT for public sector modernization, and lay groundwork for an eventual whole-of-government approach for governance reforms and public service transformation to citizens and businesses. This project will also support the development of Bangladesh's IT/IT Enabled Services (ITES) industry as the country possesses a comparative advantage in the sub-sector.

The project aims to establish basic e-government foundations to support public-sector modernization; and catalyze growth of Bangladesh's IT and enabled services industry for employment creation and export diversification. The project's e-government component will provide critical ICT foundations to support public-sector modernization, initiate transformation of the e-government agenda for the years ahead. This includes expansion of the national datacenter, training on e-government for relevant public officials, and establishing enterprise architecture, interoperability framework, cybersecurity standards and guidelines, and setting up the country's computer incident response team. The IT/ITES component will increase the competitiveness of Bangladesh's sub-sector by increasing the quantity and quality of skills, provide strategic direction for industry development, and increase IT/ITES awareness and investments in the country. This includes relevant training for workers and middle management, institutional capacity building, and industry development strategy, promotion, and international business development.

KEY ACHIEVEMENTS AND EXPECTED RESULTS

- Improve Bangladesh's ranking on the World Economic Forum's Network Readiness Index by at least five places: Improved global ranking of 109 in 2015; from 115 in 2012 and 113 in 2013.
- Percentage of ministries using two or more e-government technology foundations established under the project: 28 percent of 50 percent to date.
- Generating 30,000 direct IT/ITES jobs: Created 8,000 jobs to date.
- Increase IT/ITES industry revenue by \$200 million: \$85 million to date

IMPLEMENTING AGENCY:

Bangladesh Computer Council.

BANGLADESH: MODERN FOOD STORAGE FACILITIES PROJECT

KEY DATA:

Approved: December 30, 2013

Effective: 27 May 2014

Closing: June 30, 2020

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	210	9.4%	90.6%
Beneficiaries	5		
Total cost	215		

BACKGROUND AND OBJECTIVES:

Despite strong economic growth and a steady decline in poverty in Bangladesh over the past decade, natural disasters regularly cause serious damage to the country's infrastructure and agricultural, severely affecting food access and food availability for the poor and vulnerable. The expected increase in the frequency and intensity of weather-related shocks makes it imperative that the government enhance its preparedness to address food insecurity in disaster-prone areas. The Public Food Distribution System (PFDS) is a core element of the government's food security strategy. The modern food storage facilities proposed for construction under this project could considerably improve the efficacy of the government's emergency response and recovery efforts in disaster-prone areas, and if grain stocks are properly managed, could enhance the efficiency of its PFDS at the same time.

The Modern Food Storage Facilities Project's overall objective is to increase the grain reserve available to households to meet post-disaster needs and improve the efficiency of grain storage management.

Components include improving the storage capacity for grain by financing the construction of modern steel silos for rice and wheat that will be built in accordance with social and environmental sustainability parameters and safeguards compliance criteria. The project will facilitate households' access to domestic silos for food grain and seed storage to improve food security during and after natural disasters. It will finance investments in small-scale storage at the rural household level, which is expected to bring important benefits to the farming community in the form of safer storage of rice seed (which is more valuable than commercial grain). Another component will finance costs required to ensure adequate overall management of the project, monitoring and evaluation of the activities implemented, and capacity enhancement of selected stakeholders. The project has been restructured to adjust project funding resulting from the decision not to proceed with the signing of the Bangladesh Climate Change and Resilience Fund Agreement due to its early closing date. Additional financing from the IDA will be considered in due time if and when funds are needed.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- Increased availability of grain stocks (400,000 metric tons at the end of the project)
- Increased number of households whose grain needs can be met (4.5 million)
- Decreased grain storage cost (from \$800 to \$300 per ton)
- Reduced loss in grain stocks (from 17percent to three percent losses)
- Food grade household silos will be distributed to 500,000 families in disaster prone areas

IMPLEMENTING AGENCY:

Directorate General of Food under the Ministry of Food

KEY PARTNERS:

International Finance Corporation

BANGLADESH: MULTIPURPOSE DISASTER SHELTER PROJECT (MDSP)

KEY DATA:

Approved: December 16, 2014
Effective: April 1, 2015
Closing: September 30, 2020
PDO and IP ratings: S and S

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	375.00	2.06%	97.94%
GoB	1.70		
Total Cost	376.70		

BACKGROUND AND OBJECTIVES:

Bangladesh is subject to a tropical monsoon-type climate, prone to cyclones, flooding, and drought. Bangladesh is also at risk for earthquakes and tsunamis, sitting at or near the juncture of several active tectonic boundaries. Cyclones typically affect Bangladesh in the fall and spring, the intervals between the dry season and the monsoon season. Cyclones move northward across the Indian Ocean and almost every year at least one makes landfall in Bangladesh.

The coast is approximately 710 km long and is home to nearly 40 million people. Cyclones affect the region with strong winds accompanied by powerful storm surges and widespread inundation over a vast area. After the severe cyclone of 1970, which killed an estimated 300,000 people, the Government of Bangladesh pledged to improve protection of the coastal population. In the subsequent decades, the government constructed a network of cyclone shelters in the coastal areas, and developed an early warning system for local communities called the Cyclone Preparedness Program (CPP). Between 1970 and 2007, around 1,700 cyclone shelters were constructed, with the aim of providing protection from high winds and storm surges common during cyclones. The growing network of cyclone shelters and the community-based early warning system has served to save lives and assets.

The Multipurpose Disaster Shelters Project (MDSP) is a large-scale, disaster risk mitigation infrastructure project that strengthens emergency preparedness and will significantly reduce vulnerability to climate change and natural disasters. This builds on initial phases of interventions in multipurpose disaster shelters advanced under Emergency 2007 Cyclone Recovery and Restoration Project (ECRRP), considered the first phase of investments. The project is expected to have an impact on long-term disaster resiliency in Bangladesh, focused particularly on the coastal region. MDSP would focus on meeting these high priority needs by providing construction of 552 new shelters and the improvement of 450 existing shelters. The project will also invest in connecting roads and communication networks to shelters, increasing accessibility and effectiveness. It is expected that by safeguarding lives and assets, the project will contribute to goals of continued growth and shared prosperity.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

The project is expected to benefit nearly 14 million people living in the nine coastal districts of Bangladesh by improving access to safe havens in the event of a natural disaster. This would serve to build the resilience of local communities to such natural calamities, and help to speed recovery by protecting critical assets. In addition, the project aims to construct multipurpose buildings, especially primary schools.

IMPLEMENTING AGENCY:

Local Government Engineering Department, Ministry of Local Government, Rural Development and Cooperatives

BANGLADESH: MUNICIPAL GOVERNANCE AND SERVICES PROJECT (MGSP)

KEY DATA:

Approved: January 14, 2014

Effective: April 6, 2014

Closing: June 30, 2020

FINANCING (\$ MILLION)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	\$410 million	19.5%	80.5%
GoB	\$61.75 million		
Total cost	\$471.76 million	19.5%	80.5%

*\$ millions; as of June 30, 2016; revised amount after partial cancellation

BACKGROUND AND OBJECTIVES:

Bangladesh is one of the most densely populated and rapidly urbanizing countries in the world. The population density and high urban growth are putting great pressure on basic urban services, particularly on local governments, district towns or municipalities and city corporations that are entrusted to provide such services. Bangladesh has 331 urban local bodies (ULBs), comprising 10 city corporations and 321 municipalities. Despite progress in the decentralization reform agenda, the capacity of these urban institutions is still weak: they have limited fiscal autonomy and decision-making powers, inadequate own-source revenues, and weak systems of accountability. Infrastructure in these ULBs is very inadequate, and whatever assets they have are poorly maintained, if at all.

The MGSP is designed to address weak governance and help infrastructure development and maintenance in participating ULBs. It is designed to provide incentives to ULBs that demonstrate significant improvements in planning, financial management, and accountability. The project is reaching out to ULBs through the Local Government Engineering Department (LGED) (for 26 selected ULBs in the Dhaka-Chittagong growth corridor) and through the Bangladesh Municipal Development Fund (BMDF) (under a grant-loan-equity subproject financing scheme) for ULBs that meet creditworthiness criteria. The project is also pursuing intensive capacity-building activities to enable ULBs to perform better and carry out their functions effectively. It also features a contingent emergency response component to enable ULBs to carry out disaster response activities if needed.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

The project development objective is to improve municipal governance and basic urban services in participating ULBs, and to improve the government's capacity to respond effectively to emergencies. Into its second year of effectiveness, the project has initiated implementation of a number of small-scale infrastructure investments in the participating ULBs. These are mostly micro drains, road resurfacing, and construction of kitchen markets. In the 26 LGED ULBs, the operation and maintenance (O&M) activities were supported on a pilot basis, to allow these ULBs to prioritize O&M activities through planning and integrating O&M costs into their annual budget programs. Procurement of consultants to carry out activities that relate to the performance enhancement components (for example, performance assessment, capacity-building consultants) as well as to prepare the BMDF road map for improving its operations is under way. Preparations for the conduct of third party monitoring have been initiated while the Country Investment Plan process has been carried out to improve the quality of subprojects to be supported by the MGSP. Improvements in the execution of the O&M component are also being discussed with the ULBs. Bottlenecks in the procurement of key project inputs will need to be addressed to ensure that the project can achieve its objectives and keep implementation on track

BANGLADESH: NATIONAL AGRICULTURAL TECHNOLOGY PROGRAM – PHASE II

KEY DATA:

Approved: Jun 5, 2015
Effective: N/A
Closing: September 30, 2021

FINANCING (\$ MILLION)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	176.60	0	100%
IFAD	23.86	0	23.86
USAID	7.43	0	7.43
Govt.	6.50	0	6.50
Total cost	214.0	0	214.0

**\$ millions; as of June 30, 2015; revised amount after partial cancellation;*

BACKGROUND AND OBJECTIVES:

National Agricultural Technology Program Phase II Project (NATP-2) builds on the successes of its predecessor NATP. It will support the government's strategic priorities in agriculture, i.e., increasing production, achieving food security, supporting adaptation to climate change, and enhancing nutrition through safer and more diversified food. The overarching principle of NATP-2 is to promote a more demand-driven approach to improvement of agricultural technology and modernization of on-farm practices that takes into account the growing demand from consumers for safer food, as well as the needs of farmers for more diversified production. NATP-II will contribute directly to the Ministry of Agriculture's (MoA) and the Ministry of Fisheries and Livestock's (MoFL) priority of increasing farm yields and diversifying agricultural production by improving agricultural research and extension.

Its dual field-level strategy will deepen the interventions initiated by the previous project in existing sub districts and expand the geographic coverage to include new sub districts. NATP-II will cover 57 of the country's 64 districts and span a broad range of agro-ecological zones across Bangladesh. The project will be implemented over a six-year period in up to 270 of the country's 493 sub-districts (or upazilas); this includes 107 upazilas already covered under NATP, plus up to 163 new upazilas. The primary project beneficiaries will be smallholder farmers (i.e., small, marginal and landless farmers). The project will promote gender mainstreaming and women's empowerment to ensure that a significant proportion of direct beneficiaries are female. Other direct project beneficiaries include extension workers, agricultural researchers, and to a lesser extent, rural entrepreneurs.

The project development objective for NATP-2 is to increase agricultural productivity of small holders' farms and improve small-holder farmers' access to markets in selected districts.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

The project is expected to be effective in September, 2016

The project was approved by the Government of Bangladesh on May 23, 2016 and prepared Project Implementation Manual and Agriculture Innovation Fund Manual

IMPLEMENTING AGENCY:

Ministry of Agriculture (Lead Ministry) and Ministry of Fishery and Livestock

KEY PARTNERS:

International Fund for Agricultural Development; US Agency for International Development

BANGLADESH: NORTHERN AREAS REDUCTION OF POVERTY INITIATIVE

KEY DATA:

Approved: Oct. 27, 2011
Effective: Mar 25, 2012
Closing: Oct 31, 2017

FINANCING (\$29.29 MILLION)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	29.3	71.40%	28.6%
GoB	7		
Misc.	3.5		
Total cost	39.8		

BACKGROUND AND OBJECTIVES:

The garment industry in Bangladesh accounts for 75 to 80 percent of Bangladesh's export earnings, and has also played a significant role in providing economic benefits to poor and vulnerable women. Today, around 80 percent of the garment workers are female. Yet, the number of poor women from impoverished north-western districts joining the garments sector is much lower than the number of women garment workers from other parts of the country. Female garment workers constitute a highly vulnerable group, with few support systems in place that provide them adequate training or social services. For these women, their first few months in the city and at the factory are the most hazardous, deterring many women who are in desperate need of work from joining the industry.

The Northern Areas Reduction of Poverty Initiative (NARI) aims to recruit 10,800 women from five districts in northern Bangladesh for an orientation course to help them make informed decisions about beginning a new life in one of three export processing zones (EPZs) in Dhaka, Karnaphuli, or Ishwardi. The women will be settled into newly built complexes, with transitional housing facilities at dormitories, giving them time to develop social networks and support systems. The project provides two and a half months of training in skills for the garment industry, allowing women to enter factories as semi-skilled workers. Trainees also will receive life-skills training, covering topics such as adjustment to city life, savings and remittances, safety and security, rights and responsibilities at the work-place, finding appropriate housing, contract negotiation, and health and fertility.

ACHIEVEMENTS AND EXPECTED RESULTS

- Three dormitories and training centers constructed.
- First batch of training with 900 girls recruited from the target group, underway.
- The Information, Education Campaign to raise awareness in source areas, orient and recruit beneficiaries launched and is nearing completion for the second group.
- Dialogue at mature stage for partnering with the biggest brands and buyers (H&M, Walmart, Primark etc.) that source ready-made garments from Bangladesh to leverage corporate social responsibility (CSR) funds for the operating costs of the project, and link the beneficiaries of the project with ongoing CSR activities at the factory and community level.

EXPECTED RESULTS:

Around 10,800 women will gain formal employment, and networks will be established for continuing the flow of potential workers. Two and a half months of training will be provided and the project will place the trainees into employment through placement services built into the project. The women will also be accommodated in transitional housing facilities for up to five months.

IMPLEMENTING AGENCY:

Bangladesh Export Processing Zones Authority. Coordinating Ministry: Ministry of Labor and Employment.

KEY PARTNERS:

Bangladesh Garments Manufacturers and Exporters Association; Bangladesh Knit Manufacturers and Exporters Association..

BANGLADESH: NUTON JIBON LIVELIHOOD IMPROVEMENT PROJECT

KEY DATA:

Approved: February 25, 2015
Effective: August 03, 2015
Closing: June 30, 2021

FINANCING (\$ MILLION):

Financier	Financing*	Disbursed	Undisbursed
IDA Credit	200.00	10.3%	89.7%
GoB	20.00	0	0
Total cost	220.00	0	0

*\$ millions; as of June 30, 2016

BACKGROUND AND OBJECTIVES:

The Nuton Jibon Livelihood Improvement Project (NJLIP) is the follow-up project to the Empowerment and Livelihood Improvement "Nuton Jibon" Project, also called Social Investment Program Project II (SIPP II), which was closed in December 31, 2015. The predecessor project covered 3,262 villages in 16 districts where 92 percent of villages, (or 2,987 of the 3,262) are functioning in an inclusive, transparent, and accountable manner.

The project development objective of NJLIP is to improve livelihoods of the poor and extreme poor people in selected districts. The NJLIP aims at providing support to around 500,000 extreme poor and poor households in 2500 villages of 12 poverty-prone districts of the country. In addition 3,142 villages (excluding 120 villages from where the project exited) of SIPP-II are also being supported through second-tier institutions called 'Nuton Jibon Community Society' (NJCS), which are formed at cluster and district levels. Thus, 1,158,661 (including 658,661 HHs of SIPP-2) extreme poor and poor households of 5,642 villages of 88 Upazila in 22 districts are directly benefitting from this project. More than 90 percent of the total beneficiaries are women.

The project will work on:

- Second generation activities in nine districts supported by SIPP II.
- Seven districts have ongoing SIPP II villages and new villages in additional Upazilas.
- Development of village institutions and livelihood in five new districts (Chandpur, Comilla, Khulna, Satkhira, Shariatpur and one Upazila from Gopalganj.
- The non-negotiable project principles would be inclusion, equity, participation, transparency, and accountability, in addition to the 10 golden rules called "Dosh Neeti". The Project also provides support for nutrition awareness, business partnership linkages, and employment generation.

ACHIEVEMENTS AND EXPECTED RESULTS:

- As of June 2016, the project has included 218,174 beneficiaries in addition to 526,928 beneficiaries of SIPP-2 bringing the total to 745,102 beneficiaries, which is 109% of the outreach estimation of 680,000 for FY 2016.
- A total of 12,344 vulnerable people (4.93 per village) were identified in the project areas of whom, 516 received one-time grant and 120 youths received training on skills development while 675 villages have prepared a youth database. A total of BDT 563.116 million was disbursed to 862 villages as a first installment of the Institution Development Fund (IDF).
- Gram Samiti Offices have been established in 462 villages although savings activity started in 1,628 villages.
- More than 93% (203,664) Nuton Jibon Group members are depositing savings on a regular basis.
- A total of BDT 18.52 million as savings has been accumulated and deposited into their bank accounts.

IMPLEMENTING AGENCY:

Social Development Foundation (SDF) under Ministry of Finance, GoB

KEY PARTNERS:

Not applicable

BANGLADESH: PRIVATE SECTOR DEVELOPMENT SUPPORT PROJECT

KEY DATA:

Approved: Mar 1, 2011
Effective: Aug 3, 2011
Closing: February 28, 2021

FINANCING (\$ MILLION):

Financier	Financing*	Disbursed
IDA Credit	172.8	22.5%
GoB		
DFID	17.4	69.1%
Total Cost	190.2	26.7%

BACKGROUND AND OBJECTIVES:

To attract foreign direct investment (FDI) in export-oriented manufacturing, the Government of Bangladesh initiated an economic zones regime by enacting a law in 1980 under which the Bangladesh Export Processing Zones Authority (BEPZA) was created.

The EPZ model, catering mainly to export-oriented FDI, has its limits in terms of cumulative impact and spillovers to the domestic economy. As such, further improvements to the economic zones regime became imperative. To meet the investment need of both foreign and domestic investors, the government moved to a more flexible and competitive Special Economic Zone (SEZ) regime by introducing the Economic Zones Act, which was supported by the World Bank Group, in August 2010. It led to the creation of the Bangladesh Economic Zones Authority (BEZA).

The World Bank Group, together with UK's Department for International Development (DfID), is supporting the Government in developing Economic Zones through financing from the Bangladesh Private Sector Development Support Project. This project aims to

- Improve the business environment and access to serviced land through Economic Zones.
- Invest in training schemes to make human resources more responsive to enterprise needs.
- Support local private-sector capacity through product/process quality improvements.

In April 2016, the Board approved an additional IDA credit of US\$130 million. It became effective in August 2016. The additional financial will build on the gains realized by the original credit and contribute to enhancing the quality standards in the economic zones (EZs) and the governing institutions.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- Generated \$ 489 million in direct investment in the economic zones, against a target of \$10 million.
- Generated \$131 million direct investment by zone tenant companies located within new zones against a target of \$10 million.
- Created 5,887 new jobs, of which 26.3 percent are for women, against a target of 2,000 jobs by June 2016 (30 percent for women).
- The Implementing Agencies (BEZA and BHTPA) has completed 33 site assessments, feasibility studies/master plans for new economic zones, with Mongla and Kaliakor awarded as the first zone/park under the public private partnership regime in the country.
- BEZA and BHTPA has issued 18 licenses to establish private sector-led SEZs and High-Tech parks in different parts of Bangladesh.
- BEPZA has certified 20 companies located in economic zones with the ISO 14001 Environmental Management Standard through their green initiative. In addition, BEPZA is maintaining 30 environmental and 60 social counselors to conduct social and environmental monitoring.
- BHTPA has trained about 12,139 people on industry-specific skills through their employment incentive and skill enhancement programs against a target of 2000. Through the Quality Company Certification program, about 38 firms have been certified by BHTPA with quality standards such as ISO: 9001, ISO: 27001, CMMI-3, and CMMI-5 exceeding the target of 30.

IMPLEMENTING AGENCY:

Bangladesh Economic Zones Authority, Economic Relations Division, Bangladesh High-Tech Park Authority, Bangladesh Export Processing Zones Authority

KEY PARTNERS:

DfID, IFC

BANGLADESH: PUBLIC PROCUREMENT REFORM PROJECT II

KEY DATA:

Original Credit Approval : July 5, 2007	Additional Financing May 9, 2013	Second Additional Financing June 6, 2016
Effective: Sep 12, 2007	July 28, 2013	
Closing: June 30, 2017	June 30, 2017	June 30, 2017
Financing: \$23.6million	\$34.5million	\$10million

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	68.1	71.2%	28.8%
GoB	4.8		
Total cost	72.9		

BACKGROUND AND OBJECTIVES:

There is growing recognition within the country that enhancing accountability and improving governance in the public sector is an important element in poverty reduction, improving the investment climate, and accelerating private sector-led growth. It is estimated that public procurement expenditure of over US\$ 6 billion accounts for 60–80 percent of the annual development budget. Thus procurement plays a pivotal role in the development agenda of the country. Procurement was identified as the main reason for poor utilization of aid and slow implementation of development programs. Given this context, the government initiated a systemic procurement reform with a complete package of reforms focusing on legislation, capacity development, electronic government procurement (e-GP), and performance measurement. This is the second phase of the reform.

The objective is to improve performance of the public procurement system progressively, focusing largely on the key sectoral ministries and their implementing agencies. It follows on the successes of the first PPRP that supported the enactment of procurement laws and rules. The four components of PPRP II deal with comprehensive capacity development, procurement performance monitoring, electronic procurement, and social accountability.

Besides Central Procurement Technical Unit (CPTU), the nodal procurement agency, four key government agencies that share large part of the annual development program are involved – the Roads and Highways Department, Local Government Engineering Department, Bangladesh Rural Electrification Board, and Bangladesh Water Development Board. They processed over 90 percent of FY2015 procurement through electronic tendering with a target of 100 percent by 2016, including on-line procurement performance monitoring. In addition, PPRP-II has been implementing a comprehensive capacity-building program along with a social accountability and behavioral change communications campaign to demystify procurement at the grassroots level.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- Improved efficiency: reduction of procurement delays with the award of contract within the initial bid validity period (2016: 83%, and 2007: 10%).
- Enhanced transparency: website publication of contract awards (2016: 91%, 2007: 7%); and website publication of bid invitations (2015: 100%, 2007: 70%).
- Minimized collusion/coercion/fraud: significant reduction in the frequency of newspaper reports of this in 2015 as against 2011; and insignificant number of complaints in e-GP in 2015 (less than 1% case) against substantial number in 2010-2013.
- Exponential growth of e-GP: number of registered bidders grown 40 fold (2016: 21,000, 2012: 525); number of bid invitations grown over 380 times (2016: 55,000, 2012: 144); value of bid invitations grown over 330 fold (2016: \$6 billion, 2012: \$18 million).
- Enhanced capacity development: three-week trained staff (2016: 7400; 2007: 1800); internationally certified MCIPS- UK (2016: 89; 2012: 0).

IMPLEMENTING AGENCY:

CPTU, Implementation Monitoring and Evaluation Division.

KEY PARTNERS:

BANGLADESH: REACHING OUT-OF-SCHOOL CHILDREN PROJECT II

KEY DATA:

Approved: Oct 2, 2012
Effective: Jan 30, 2013
Closing: Dec 31, 2017

FINANCING:

Financier	Financing	Disbursed	Undisbursed
IDA Credit	130	43%	57%
USAID	3.8		
BETF	7.5		
GoB	141.3		
Total cost			

BACKGROUND AND OBJECTIVES:

In 2010, nearly five million primary school-aged children were out of school in Bangladesh – many of these children had never enrolled, while others had dropped out before completing the primary cycle due to poverty. Children from the poorest quintile were reported to be disproportionately left out of the schooling system. These children were deprived of an education, reducing their chances of finding higher-earning jobs that could lift them and their families out of poverty. Building on the success of the first Reaching Out-of-School Children (ROSC) project, ROSC II provides a second chance at primary education to restore that opportunity.

The project aims to improve equitable access, retention and completion in quality primary education for out-of-school children in selected under-served areas.

ROSC II reintegrates out-of-school children into the education system through learning centers called Ananda schools (schools of joy), which are established in selected upazilas (sub-districts) with high-poverty and low-enrollment and completion rates. As ROSC students tend to be older, teachers observe a flexible schedule, with students taught by a single class teacher until they are ready to join mainstream secondary schools. These centers also provide education stipends to students to lessen the financial burden on families, in addition to providing free books, stationery, and school uniforms. The project builds upon the experiences of both public and NGOs and blends formal education with non-formal means of delivery to the young learners, providing them with an opportunity to complete grade five and transition to secondary education. The project also tries to empower disadvantaged rural communities to establish, own, and manage Ananda schools with support from the government and local education NGOs. In addition, the project aims to pilot initiatives in selected urban slums for child domestics, a pre-vocational skills training scheme for older ROSC students, and an Early Grade Reading program for current ROSC students.

KEY ACHIEVEMENTS AND EXPECTED RESULTS

- Enrollment of 690,000 out-of-school children (49 percent girls and 87 percent from disadvantaged families) in 20,400 supported learning centers in 148 of the most disadvantaged upazilas and 3,100 children in 17 urban slums of Dhaka.
- A total of 919 ROSC students and graduates are being given prevocational training for self-employment.
- Average grade retention rate stands at 64 percent, with the attendance rate at 87 percent and teacher absence rate below 15 percent.
- A total of 19,377 teachers have been given foundation training and 4,000 center management committee members have been trained for the operation and management of learning centers.
- Most Ananda schools have water and sanitation facilities, and 80 percent of teachers at them are women.
- For the first time, ROSC students participated in the 2013 national learning assessment for the primary level.

IMPLEMENTING AGENCY:

Directorate of Primary Education.

KEY PARTNERS:

USAID, Save the Children

BANGLADESH: REVENUE MOBILIZATION PROGRAM FOR RESULTS: VAT IMPROVEMENT PROGRAM

KEY DATA:

Approved: May 09, 2014
Effective: January 11, 2015
Closing: June 30, 2020

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	60	11%	49%
GoB	13	9%	4%
Total cost	73		

*\$ millions; as of June 30, 2016; revised amount after partial cancellation.

BACKGROUND AND OBJECTIVES:

Low revenue mobilization is limiting the country's development aspirations as the level of tax collection was 10 percent of the Gross Domestic Product (GDP) in 2012 and has remained at that level over the last few years.

The tax system is complex, which has been fueling a non-compliance environment. A particular problem is that the indirect tax system is distortionary, discretionary, and narrow based.

Tax administration is lagging in embracing good international practices, especially in terms of simplified business processes, adoption of Information and Communication Technology (ICT), risk management systems, modern Human Resources Management (HRM) systems. In general it is performing poorly in transparency and accountability. The new Value Added Tax VAT Law to take effect in July 2017 has the objective of simplifying the tax system especially the indirect tax system through the implementation of a single rate, few tax exemptions, a voluntary threshold for small business registration, and a simplification of the Excise & Duty regime according to international practices.

The program's objective is to improve revenue mobilization and transparency in the VAT administration. The program will support the VAT Law implementation by preparing both the tax administration and the taxpayers' community for the Law adoption.

ACHIEVEMENTS AND EXPECTED RESULTS

- Most of the core new business processes have been reviewed and cleared by the National Bureau of Revenue (NBR)
- The associated software development has been initiated and some Users Acceptance Tests (UAT) have been completed for the registration module. It is expected that the registration module will be launched in January 2017.
- Several interactions with selected taxpayers have been carried out in order to get feedback on the VAT rules especially regarding the public advance ruling and private advance ruling.
- Continual coordination with the Bangladesh Bank and the Public Accounts Office has been implemented in order to define interfaces and protocols for VAT electronic payments.
- Several workshops and orientation sessions have been implemented to orient the taxpayers' community on the VAT Law and get feedback from them to improve, simplify, and clarify the VAT rules and regulations.
- Independent verification completed for DLR 1.2.1 as the first DLI achieved under the program and the disbursement process is underway.

IMPLEMENTING AGENCY:

VAT Online Project Office, VAT Wing, National Board of Revenue.

KEY PARTNERS:

Not applicable

BANGLADESH: RURAL WATER SUPPLY AND SANITATION PROJECT

KEY DATA:

Approved: Mar 22, 2012
Effective: May 13, 2012
Closing: June 30, 2017

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	42.2	52%	48%
Communities	5.6		
GoB	2.7		
Total cost	50.9		

** Project restructuring included cancellation of \$25 million of IDA credit*

BACKGROUND AND OBJECTIVES:

National rural water supply coverage in Bangladesh is estimated to be around 97 percent, but water quality issues and contamination by arsenic have effectively lowered this figure to around 83 percent. Arsenic is the single largest threat to safe water service provision in Bangladesh. The quality of sanitation coverage is another area of concern, with only 37 percent of latrines being hygienic. The poor infrastructure and facilities for water and sanitation services, along with increased demand, is making it difficult to provide reliable water and sanitation services.

The project aims to increase the provision of safe water supply and hygienic sanitation in selected rural areas of Bangladesh.

It calls for scaling up piped and non-piped water facilities to provide safe and clean water to villagers in some 383 Union Parishads (local governing units) with acute arsenic contamination and low coverage for safe water supply. The project also seeks to provide hygienic sanitation facilities, and is financing the construction of 35 piped water supply schemes and 14,000 water point sources in hot-spot upazilas (subdistricts) where piped water supply is not economically possible. To fight the poor sanitation, it intends to provide financial incentives for the poor to construct hygienic latrines, build local private-sector capacity so that markets can better react to rise in demand; and increase the government's role in ensuring that latrines are maintained and accessible to all. The project is financing installation of 50,000 latrines for selected poor households.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- 748,000 out of target 924,000 people in rural areas have been provided with access to improved water sources.
- 11,900 out of 14,000 improved community water points constructed under the project.
- 493 out of 28,000 new piped household water connections provided from the project.
- 201,000 people out of 275,000 have been provided with access to hygienic latrines.
- Total 948,000 direct project beneficiaries out of target 1.2 million people in rural areas have been provided with access to improved water sources and hygienic latrines.

IMPLEMENTING AGENCY:

Department of Public Health Engineering (DPHE).

KEY PARTNERS:

Not applicable.

BANGLADESH: RURAL ELECTRIFICATION AND RENEWABLE ENERGY DEVELOPMENT II

KEY DATA:

Original Credit Approved: Sep 20, 2012.
Effective: Feb 20, 2013.

Additional Financing Approved June 19, 2014
Closing: Dec 31, 2018

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	233.4	81%	19%
IDCOL	14.1		
BCCRF	10	22%	78%
USAID	7.6	48%	52%
KfW	10.7		
GPOBA	16.1	13%	87%
Local Beneficiaries	47.9		
NGO/Private Sector	89.1		
Funding Gap	6.2		
Total cost	435		

BACKGROUND AND OBJECTIVES:

Only about 66 percent of rural households in Bangladesh have access to grid electricity, and even these consumers suffer frequent and prolonged power cuts. Currently, electricity supply is about 8,500-9,000 megawatts (MW), against a peak demand of about 10,000 MW. The dispersed nature of rural settlements and the numerous rivers that crisscross the country make grid electrification in many areas of Bangladesh difficult and expensive. Despite steady progress in enhancing coverage, it is clear that reliance on grid electricity alone will not allow the Bangladeshi government to realize its vision of universal access to electricity by 2021.

The second Rural Electrification and Renewable Energy Development (RERED) project aims to increase access to clean energy in rural areas of Bangladesh.

It builds on the success of RERED I by supporting solar home systems and other renewable energy options in remote rural areas, where grid electricity is not economically or geographically viable. The World Bank initiative led to support from other donors, and about 3.95 million rural homes and shops are getting electricity access through the solar home system. The implementing agency is the Infrastructure Development Company Ltd. (IDCOL), a government-owned financing institution, and 47 partner organizations (mostly non-government organizations) are installing solar home systems through a micro-credit scheme. Replicating the success of the solar home systems program, the project is also supporting renewable energy based mini-grids, solar irrigation pumps (replacing diesel pumps), dissemination of improved cook stoves, and biogas digesters for cooking.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- Provided 3.95 million remote households and rural shops with solar home systems, with 20,000 systems being installed every month.
- Increased access to electricity in Bangladesh by 14 percent.
- 7 mini-grids are currently providing 24/7 electricity to 2,000 rural businesses and shops. Another 9 are under construction.
- 320 solar irrigation pumps are under operation benefiting 8,000 farmers with reliable and affordable irrigation services.
- 750,000 rural women are benefiting from improved cook stoves with more than 70,000 improved cook stoves being sold every month.

IMPLEMENTING AGENCY:

IDCOL, and Power Cell of the Ministry of Power, Energy and Mineral Resources.

KEY PARTNERS:

Asian Development Bank, Japanese International Cooperation Agency, KfW of Germany, the German Federal Enterprise for International Cooperation, Islamic Development Bank, U.S. Agency for International Development, Global Partnership on Output-Based Aid, Bangladesh Climate Change Resilience Fund.

BANGLADESH: RURAL ELECTRICITY TRANSMISSION AND DISTRIBUTION

KEY DATA:

Approved: February 27, 2014
Effective: September 16, 2014
Closing: June 30, 2020

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	600	16%	84%
Government	237		
Total cost	837		

BACKGROUND AND OBJECTIVES:

Only about 66 percent of rural households in Bangladesh have access to grid electricity, and even these consumers suffer frequent and prolonged power cuts. Currently, electricity supply is about 8,500-9,000 megawatts (MW), against a peak demand of about 10,000 MW. Electricity availability and the number of consumers have grown steadily in recent time. While the government made substantial investments to extend the rural low-voltage system network to support new connections, the rural medium-voltage distribution system and the associated transmission system received relatively less attention. As a result, the rural electricity system is now over-loaded and experiences frequent load-shedding, leading to higher technical losses and services interruptions.

The objective is to reduce system losses and enhance capacity in the rural distribution network, primarily in the eastern part of Bangladesh.

The project aims to rehabilitate and augment the distribution network of the Bangladesh Rural Electrification Board (BREB) in support of reducing systems losses and enhancing capacity for carrying additional electricity. The project is also supporting transmission enhancements by the Power Grid Company of Bangladesh (PGCB).

ACHIEVEMENTS AND EXPECTED RESULTS:

The project is on track to meet its development objectives. 1,000 km of line construction has been completed against the project target of 6,000 km by 2020. All major contracts for line materials and substations have either been awarded or under evaluation.

IMPLEMENTING AGENCY:

BREB, PGCB.

KEY PARTNERS:

Not applicable.

BANGLADESH: SECOND LOCAL GOVERNANCE SUPPORT PROJECT

KEY DATA:

Approved: Nov 29, 2011
Effective: Feb 22, 2012
Closing: Nov 30, 2016

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	290	97.83%	33%
GoB	255.4		
Total cost	545.4		

*\$ millions; as of June 30, 2016; revised amount after partial cancellation.

BACKGROUND AND OBJECTIVES:

The local governments of Bangladesh, the key components of community development, have largely improved their transparency and accountability in the delivery of services with stronger public financial management through the implementation of the Second Local Governance Support Project (LGSP II). By developing Union Parishad (UP, the lowest tier of local government) capacities, strengthening accountability systems, and improving participation at the grassroots level, there is an increasing trend towards the decentralization of government, meaning local governments have more autonomy and resources. The Second Local Government Support Project (LGSP II), the second nation-wide effort to strengthen the local government system in Bangladesh, has been successful in achieving its objectives of improving the accountability and responsiveness of UPs, along with placing an emphasis on the enhancement of citizen engagement and women's participation in decision-making at the local level.

Project Objective and Components:

The development objective of the LGSP II is to strengthen inclusive and accountable institutions of local governance through a more efficient and transparent intergovernmental fiscal system. Grants administered and closely monitored by the LGSP II, have allowed the UPs to solve local problems and reach community goals with transparent spending and financial management. By empowering communities to make choices on their development priorities and basic service needs, and in addition, empowering local governments to respond to community priorities, the project not only enhanced UP's capacity to provide better services to the people on the local level, but also ensured participation of local citizens in planning, implementation and monitoring of development activities, especially women.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

Transfers of Basic Block Grants (BBGs) and Performance Based Grants (PBGs) as planned.

- Government of Bangladesh's share of total BBG increased to the agreed 60% before completion of the project.
- Financial and Performance audits of all 4,550 UPs carried out annually, with improved audit quality.
- Capacity building training provided to District officials and UP functionaries on an on-going basis.
- Continued promotion of active citizen participation and transparency by Ward Committees (WCs) and Scheme Supervision Committees (SSCs), women's development forums, and open budget meetings.
- Development of Management Information System (MIS) software and its operation.

IMPLEMENTING AGENCY:

Bangladesh Local Government Division, Ministry of Local Government, Rural Development and Cooperatives.

KEY PARTNERS:

U.N. Development Program, U.N. Capital Development Fund.

BANGLADESH: SAFETY NET SYSTEMS FOR THE POOREST PROJECT

KEY DATA:

Approved: June 26, 2013

Effective: Nov 17, 2013

Closing: Dec 31, 2017

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	466	151	315
GoB	2,172**	1,892***	280
Total cost	2,672		

*\$ millions; as of June 30, 2016; revised amount after partial cancellation.

**based on FY14 to FY17 forecast allocation of recurrent government budget of five major safety net programs.

***based on FY14 to FY16 revised budget of five major safety net programs (actual allocation growth exceeded forecast)

BACKGROUND AND OBJECTIVES:

Despite remarkable progress in poverty reduction, extreme poverty in Bangladesh remains high, with large numbers of people vulnerable to systemic shocks. The Government of Bangladesh recognizes that shocks and vulnerability are mainstream problems for the poor and has currently implements several safety net programs as response measures. Well designed and implemented safety nets not only reduce poverty and vulnerability but have shown to improve women's wellbeing. Yes despite the numerous ongoing interventions, large numbers of poor people remain out of reach of safety nets. There is a scope for better targeting of benefits in some of the largest programs, improving delivery mechanisms and monitoring systems, as well as enhancing transparency measures. Cognizant of these existing challenges, the Ministry of Disaster Management & Relief (MoDMR) which implements approximately one-third of the country's social protection budget, is currently utilizing IDA resources to improve performance of its major programs. The Statistics & Informatics Division (SID) is also supporting this process, given its mandate to develop a national household database (NHD) towards better targeting of social assistance, which in the medium term is also expected to improve the quality of a significant portion of public expenditure on safety net programs.

The Safety Net Systems for the Poorest (SNSP) Project aims to improve the equity, efficiency and transparency of major safety net programs to benefit the poorest households. Component 1 (Support to MoDMR Safety Net Programs) provides performance-based partial reimbursement of government spending under selected safety net programs; Component 2 (Strengthening of MoDMR Program Administration & Transparency) provides resources to improve implementation quality, including the development of management information systems, beneficiary outreach and engagement strategies, training, etc. towards the achievement of higher level objectives; and Component 3 (Development of the National Household Database) provides resources to conduct a nationwide census, establish a comprehensive targeting system, and contribute to improving coordination among various safety nets programs.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- Improved pro-poor targeting of financial resources of major safety net programs
- Improved field level implementation and monitoring capacity of major safety net programs
- Improved transparency measures by piloting digital payments and grievance reporting
- Approved Operations Manual and data collection strategy for the NHD

IMPLEMENTING AGENCY

Department of Disaster Management (DDM) (Components 1 & 2); Bangladesh Bureau of Statistics (BBS) (Component 3).

KEY PARTNERS:

BANGLADESH: SECONDARY EDUCATION QUALITY AND ACCESS ENHANCEMENT PROJECT

KEY DATA:

Approved: Jul 31, 2008
Effective: Sep 4, 2008
Closing Date: Dec 31, 2017

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	395.60	67.86%	32.14%
GoB	40.0		
Total Cost	435.6		

BACKGROUND AND OBJECTIVES:

Special measures taken over the last couple of decades have enabled more Bangladeshi children than before, especially girls, to continue their education at the secondary level. But it still remains a challenge for children from low-income families to access a good-quality education.

The Secondary Education Quality and Access Enhancement Project (SEQAEP) aims to improve the quality of secondary education, systematically monitor learning outcomes and increase access and equity in 215 project upazilas (sub-districts).

The project provides stipends and tuition to disadvantaged girls and boys based on proxy means-testing (PMT), in addition to incentives to students, teachers, and schools in 215 upazilas to encourage them to perform better. Eligible students receive stipends of \$15 to \$40 a year if they maintain 75 percent average attendance, achieve a passing grade in final examinations and remain unmarried until they complete Grade 10.

The project also includes measures to provide water and sanitation facilities in schools, and strengthen school management and accountability systems while helping to develop stronger reading habits. Financial rewards are given to the teachers and institutions that consistently increase the number of students appearing in and passing the Secondary School Certificate (SSC) examinations.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- The pass rate in SSC examinations was higher than 75 percent.
- Supported 8.4 million student-years (55 percent girls) under the stipends program.
- More than 4,068 institutions were supported under the SSC institution award.
- Awarded more than 386,000 students for academic performance while supporting some 1.1 million students in English and mathematics and about 6.1 million students in developing a reading habit.
- 95% of the project institutions have received Improving School Facilities (ISF) grants.

IMPLEMENTING AGENCY:

Directorate of Secondary and Higher Education, Ministry of Education

KEY PARTNERS:

Agrani Bank, Bishwo Shahitto Kendro, Local Government and Engineering Department, Directorate of Public Health and Engineering

BANGLADESH: SECOND RURAL TRANSPORT IMPROVEMENT PROJECT

KEY DATA:

Approved: Sep 20, 2012

Effective: Nov 28, 2012

Closing: Apr 30, 2018

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	302	122.38	153.57
GoB	115		
Total Cost	417		

*\$ millions; as of June 30, 2016; revised amount after partial cancellation

BACKGROUND AND OBJECTIVES:

Despite a wide road network and large investments in it, rural roads in Bangladesh need regular repair and rehabilitation. The quality, construction, and carrying capacity of parts of the secondary and tertiary road network are poor. This has road safety implications for the rural residents, many of whom live on the margin. In terms of opportunity though, these road networks are means to education, health and livelihood for about 66% of population, who live in rural Bangladesh. Despite this suboptimal state juxtaposed against the opportunity, large portion of the secondary and tertiary road networks remain impassable during the rainy season, more so given the deltaic nature of the country and more frequent extreme weather events.

Project Objective and Components:

The objective of the project is to improve rural accessibility (connectivity) in project areas (covering 26 districts) and strengthening institutional capacity for sustainable rural road maintenance.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- The project has over 600 civil works contracts, 99% to be e-procured;
- 3,060km out of 5,248 km of Upazila and Union roads has been completed to facilitate rural connectivity through improvement (new roads) and rehabilitation works;
- 450km of performance-based maintenance contract roads have been awarded which will be maintained for next five years;
- Pilot work of one inland waterway and 8 Growth Centre Markets have been completed;
- "Rural Road Safety Manual" has been developed under this project;
- Local Government Engineering Department (LGED) has signed most of the consultancy contracts under the institutional strengthening and capacity building and governance component of the project. Implementation of those contracts is either ongoing or completed.

KEY PARTNERS:

Local Government Engineering Department (LGED)

BANGLADESH: SIDHIRGANJ POWER PROJECT

KEY DATA:

Parent Project
Approved: Oct 30, 2008
Effective: Mar 31, 2009
Additional Financing
Approved: November 13, 2015
Effective: June 15, 2016
Closing: June 30, 2018

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	504.00	61.3%	38.6%
GoB	148.5		
Total Cost	652.50		

BACKGROUND AND OBJECTIVES:

Electricity demand in Bangladesh has increased at an average rate of 10 percent per annum in recent years, with peak demand reaching about 9,500 megawatts (MW). Yet per capita generation remains among the lowest in the world (300 kilowatt hours), and present generation capacity at around 8,500 MW falls far short of peak demand. Although the supply situation has improved recently, availability and reliability of supply are the key issues. Load shedding and outages occur in irrigation/summer season that affect households, commercial enterprises, and industries. The sector is financially weak, access to capital is severely constrained and prices do not cover costs, necessitating large government subsidies to keep the key institutions operational. Increasing shortages of natural gas, the primary fuel for power generation, have added to the sector's challenges.

The Siddhirganj Power Project aims to increase electricity supply to the Bangladesh power-grid network by constructing a 335 MW combined cycle power plant, (CCPP) as well as an 11-kilometer 230-kilovolt power evacuation system, and a 60 km 30-inch gas transmission pipeline. The combined cycle design of the power plant is a comparatively cleaner technology with lower heat emissions and higher thermal efficiency.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- By November, 2016 mple cycle power plant is expected to add 217 MW to the national grid.
- The steam cycle of the power plant is scheduled to complete in August, 2017 when it will add total 335 MW capacity to the grid.
- Construction of the power evacuation system is complete, and it is transferring 235 MW of electricity from the other power plants of Siddhirganj to the greater Dhaka area.
- The gas line is almost complete and has improved the gas supply situation in the Siddhirganj region.

IMPLEMENTING AGENCIES:

Electricity Generation Company of Bangladesh, Gas Transmission Company Ltd., and Power Grid Company of Bangladesh.

KEY PARTNERS:

Not applicable

BANGLADESH: SKILLS AND TRAINING ENHANCEMENT PROJECT

KEY DATA:

Approved: June 10, 2010
 Effective: Aug 22, 2010
 Closing: June 30, 2016 PDO and
 IP ratings: S,S

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	79	99.7%	0.3%
IDA AF	100.0	19.0%	81.0%
GoB	29.8		
Total cost	217.8	54.0%	46.0%
TF	15.0	88.0%	12.0%

BACKGROUND AND OBJECTIVES:

The Bangladesh economy has been registering steady economic growth of around 6 percent over the past decade. As local and global economic shifts continue toward industry and services, demand for skilled manpower is expected to rise at home and abroad. Bangladesh is a labor-surplus country, so the government is increasingly focusing on workforce development through technical and vocational education training (TVET). This is a timely response as the country prepares to accommodate and capitalize on the ongoing demographic dividend. However, poor training quality, low employability, and inadequate wages plague the TVET sector, requiring interventions.

The project aims to strengthen selected public and private training institutions to improve training quality and employability of trainees, including those from disadvantaged socioeconomic backgrounds. It is designed to address the key issues concerning TVET in a number of ways:

- Ensuring that the programs offered are relevant to labor market needs by incorporating views from industries and civil society.
- Helping to ensure teacher-trainer vacancies open for six months or more are filled.
- Breaking new ground, supporting both public and private institutions to create a level playing field.
- Providing various incentives to the institutions. Based on performance indicators, training institutions grant of up to \$1 million for implementing their institutional development plans; Institutions providing short courses receive \$275 per student, of which \$75 is stipend to the student. A 20 percent per student amount performance grant is offered to the institute for each trainee who is employed within six months of completing training.
- Providing stipends to students from disadvantaged socioeconomic backgrounds. Those receiving a stipend must maintain 75 percent annual attendance and 45 percent pass marks in the annual examinations.
- Strengthening polytechnic teaching and management through specialized training programs for polytechnic teachers and managers in collaboration with Singapore.
- Supporting sustainable implementation capacities and governance at all levels of skills development system;
- Facilitating changed mind sets among the institutions, who now initiate and lead innovations, and among students and communities towards increasing the value of technical education in society and
- Increasing harmony among formerly-fragmented skills development stakeholders and forging global partnerships.

ACHIEVEMENTS AND EXPECTED RESULTS:

- 144,615 diploma students from 100 polytechnic institutions (50 of which are public) received stipends. Female beneficiary share increased from 10% to 26% from adopting universal female stipend instead of poverty targeting one.
- 73,753 trainees have received short-course training, of whom, 27% are women.
- 173 full-time contractual teachers deployed in 50 public polytechnics, filling up 95% of vacant teaching posts, and around 1,200 polytechnic teachers trained.
- 140 managers and 120 polytechnic teachers trained in Singapore.
- Recognition of Prior Learning (RPL) has been operationalized, and around 9,000 individuals have been assessed through RPL.

KEY PARTNERS:

Directorate of Technical Education, Bangladesh Technical Education Board, Bangladesh Bureau of Manpower Employment and Training; Department of Foreign Affairs and Trade of Canada

BANGLADESH: STRENGTHENING REGIONAL COOPERATION FOR WILDLIFE PROTECTION IN ASIA

KEY DATA:

Approval: Apr 7, 2011
Effective: Jun 29, 2011
Closing: Dec 31, 2016

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	36	78.82%	21.18%
GoB	3		
Total Cost	39		

BACKGROUND AND OBJECTIVES:

Illegal trade in wildlife is largely controlled by criminal gangs that poach flagship species such as tigers and elephants in one country, stockpile them in another, and then trade them beyond the South Asia region. No single country can eliminate poaching or the illegal wildlife trade on its own. Since wild animals cannot be confined to national boundaries, a single country also cannot manage a contiguous cross-border wildlife habitat effectively. This makes the control of the illegal trade of wildlife and wildlife parts a challenging multi-country affair.

The project aims to assist participating governments in building or enhancing shared capacity, institutions, knowledge and incentives to collaborate on tackling the illegal wildlife trade and other selected regional conservation threats to habitats in border areas. It has a two-pronged approach that calls for: (i) capacity building to address the illegal wildlife trade through regional cooperation; and (ii) habitat protection and management to generate regional conservation benefits and address the human-wildlife conflict.

Components are:

- Building capacity to address the illegal trans-boundary wildlife trade by bringing about regional collaboration in combating wildlife crime through strengthened legislative and regulatory frameworks and well-equipped specialized agencies and systems, as well as relevant training and awareness programs for staff responsible for enforcement of wildlife laws and regulations. Bangladesh and Nepal are participating in the first phase (with the Nepal project amounting to \$3 million) and Bhutan joined in the second phase.
- Promoting wildlife conservation in Asia through establishing a virtual regional center of excellence; improving existing park infrastructure; conducting species monitoring and recovery programs; preparing and implementing endangered species recovery plans; protecting inviolate areas for species conservation; implementing real-time field-based monitoring systems; developing landscape scale imaging platforms; strengthening enforcement of laws and regulations; and carrying out innovative research projects in wildlife conservation.

KEY ACHIEVEMENTS:

- Drafted 21 rules for operationalization of Wildlife Act 2012 and gazetted two Vulture Safe Zones in Bangladesh.
- Established Wildlife Crime Control Unit (WCCU) at the Forest Department Head Quarter and Divisional Offices for combating illegal wildlife trafficking and other wildlife related crimes.
- Established Wildlife Center for undertaking research, training, and outreach for wildlife conservation.
- Established inter-agency coordination among WCCU, Rapid Action Battalion (RAB), Border Guard, Coast Guard, Customs, Police, and the Ministry of Foreign Affairs in combating wildlife and forest crime
- Completed the first census of Bengal Tigers in the Sundarbans using camera trapping method.
- Piloted SMART paroling in the Sundarbans to protect the remaining 106 tiger population in the Sundarbans.
- Identified elephant routes and corridors in the border areas to reduce human-elephant conflict.
- Commenced implementation of 37 sub-projects aiming to improve the management of protected areas, conservation of flagship species and reduce human-wildlife conflict.
- Completed Wildlife Master Plan, 5 Protected Area Management Plans and 3 Eco-Tourism Management Plans.
- Organized two regional thematic meetings on "Institutional arrangements for wildlife crime control" and "Human-wildlife conflict management" in 2015.
- Completed training, certificate and diploma courses on combating wildlife crime and wildlife management.

IMPLEMENTING AGENCY:

Bangladesh Forest Department

BANGLADESH: THIRD PRIMARY EDUCATION DEVELOPMENT PROGRAM

KEY DATA:

Approved: July 31, 2011
Effective: Dec 7, 2011
Closing: Dec 31, 2017

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
Original IDA Credit	700	45%	55%
Original Total cost	8,140		
Additional Financing	970	0%	88%
Revised Total Cost	9,810		

BACKGROUND AND OBJECTIVES:

Bangladesh had made remarkable progress in primary education in the last decade. The net enrollment rate (NER) reached around 98 percent while the gross enrollment rate (GER) reached above 108 percent in 2014, and gender parity was achieved. The completion rate was 79 percent in 2014 and the survival rate to Grade 5 is 81 percent. Despite the impressive progress, transition rate to secondary level remain a concern. Poverty along with educational background of the family, remoteness of the society, and distance from the school, were the main reasons for dropping out. The quality of education remained a bigger concern; many schools were overcrowded, while teacher qualifications and motivation remained low and exams mostly tested memory recall and rote learning.

The Third Primary Education Development Program (PEDP3) aims at increased participation and reduced social disparities in primary education, increased completion of primary education, improved quality of the learning environment, systematic assessment of student learning, and improved effectiveness of resource utilization at the primary education sector. The program has introduced a comprehensive set of reforms to upgrade the quality of learning for all children at the primary and preprimary level, strengthened capacity to provide high-quality data and utilization of information for effective results monitoring, brought disadvantaged children into pre-primary and primary education, and developed mechanisms for the public and private sectors to work more closely together in education service delivery.

The program builds on the experience and successes of previous programs but stands out from them because its financing is linked to specific results being achieved on the ground. Funds are disbursed when disbursement-linked indicators (DLIs) covering nine areas are met. The DLIs for quality enhancement cover: (i) development of an 18-month diploma program and teacher training; (ii) the development and incremental introduction of competency-based examinations; (iii) merit-based teacher and head teacher recruitment; and (iv) timely distribution of textbooks (within a month of the start of the academic calendar), including an updated curriculum. The DLIs supporting reduction in disparities include: (i) the widespread introduction of pre-primary education, especially in disadvantaged areas; and (ii) needs-based infrastructure development to reduce overcrowding in schools and improve the quality of the facilities as well as school-level planning. Two other DLIs are set for enhanced sector financing and effective program monitoring and reporting.

The World Bank is also the supervising entity for a Global Partnership for Education grant of \$100 million for PEDP3.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- Achievement of 39 out of the 44 year 0 to year 4 DLI targets.
- Completion of three rounds of the National Student Assessments (Grades 3 and 5) in 2011, 2013, 2015.
- Teacher recruitment and deployment completed according to merit-based recruitment procedures.
- Introduction of competency based questions in the Primary Education Completion Exams (PECE)
- International standard diploma in education piloted and expanded nationwide (accredited by the University of Dhaka).
- Receipt of textbooks within the first month of the academic year by over 90 percent of primary schools.
- Construction of classrooms and wash block facilities with priority to remote and underprivileged areas.
- Use of electronic government procurement for construction works by procuring entities.
- Launch of an on-line data collection and management system to conduct the Annual Primary School Census.
- Use of existing country system for fiduciary arrangements to the extent possible.

IMPLEMENTING AGENCY:

Directorate of Primary Education, Ministry of Primary and Mass Education.

KEY PARTNERS:

Asian Development Bank, UK's Department of International Development, European Union, Department of Foreign Affairs Trade and Development Canada, Department of Foreign Affairs and Trade, Australia, Swedish International Development Cooperation Agency, Japanese International Cooperation Agency and UNICEF

BANGLADESH: GHORASHAL UNIT 4 REPOWERING PROJECT

KEY DATA:

Approved: December 21, 2015

Effective: May 15, 2016

Closing: March 31, 2022

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	217	0%	100%
GoB	46	83%	17%
Total cost	263		

BACKGROUND AND OBJECTIVES:

Although Bangladesh is rich in natural gas reserves, current gas production is below demand due to a low level of exploration work and inadequate gas transmission systems. Availability of gas through further gas exploration works will likely to take longer time. About one third of the available generation capacity in Bangladesh is based on gas-based steam cycle technology, operating at very low efficiency. In line with the apparent shortages in natural gas production, the government has prioritized to improve the efficiency of the existing gas based power plants. This project is a step forward in that direction.

The project objective is to increase generation capacity and efficiency of the targeted power plant. The key activity of the Project is to convert Unit 4, one of the four 210 MW gas-fired steam units at Ghorashal Power Station (GPS), into a combined cycle unit for an upgraded total capacity of 409 MW. The steam unit is currently generating 170MW and the overall efficiency of the unit is around 31%. The Project would increase the overall efficiency of the unit to 54% and the generation output will also be more than doubled with only 18% increase in gas requirement. Fuel consumption (per GWh) would be reduced by 44%, which would also lead to lower greenhouse gas emissions. The Technical Assistance (TA) component would finance an Owner's Engineer for the Project and also focus on capacity building and institutional support to the power plant as well as Bangladesh Power Development Board (BPDB).

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- 210 MW gas-fired steam units converted into a 409 MW combined cycle unit
- Overall efficiency increased to 54% from the current efficiency level of 30%
- 303 PJ fuel savings in Projected lifetime
- 311,936 tCO₂e reduction in GHG emissions over the project life

IMPLEMENTING AGENCY:

Bangladesh Power Development Board (BPDB)

KEY PARTNERS:

Not applicable

BANGLADESH: FINANCIAL SECTOR SUPPORT PROJECT

KEY DATA:

Approved: June 5, 2015
Effective: September 20, 2015
Closing: September 30, 2020

FINANCING:

Financier	Financing	Disbursed	Undisbursed
IDA Credit	300	32.63	264.05
GoB	50		17%
Total cost	350		

*US\$ millions; as of August 30, 2016

BACKGROUND AND OBJECTIVE:

Bangladesh has made significant gains in economic growth, development and poverty reduction over the past 20 years. Building a strong financial sector that can cater to the needs of the growing economy is one of the essential ingredients in meeting Bangladesh's long-term development goal as well as supporting short- to medium-term growth. Bangladesh needs to develop a financial sector that is stable, inclusive, and capable of providing efficient financial intermediation to the productive sectors of the economy, facilitating capital accumulation and investment to generate faster growth. In addition, given the importance of the manufacturing sector and of the export sector, it is particularly important to cater to the evolving financing needs of these sectors through increased financial intermediation.

The project development objective is to improve financial market infrastructure, the regulatory and oversight capacity of Bangladesh Bank, and the access to long-term financing for private firms in Bangladesh. This will be accomplished through components aimed at strengthening financial market infrastructure; improving regulatory, supervisory, and sector developmental capacity of BB; and building the market for and scaling up long-term finance especially to exporters and manufacturing firms to spur competitiveness, investment, and growth.

ACHIEVEMENTS AND EXPECTED RESULTS:

- Shift of government payments to electronic means;
- High-level of operational reliability as measured by compliance with international principles
- Certification of Bangladesh Bank (BB) against quality standards ISO270001 and Control Objectives for Information and Related Technology (COBIT).
- Number of Basel Core Principles on which BB is judged as compliant and largely compliant; and
- Outstanding long term foreign exchange loans of partner financial institutions (PFIs).

IMPLEMENTING AGENCY:

Bangladesh Bank (BB), the Central Bank of the country.

KEY PARTNERS:

Financial Institutions.

BANGLADESH: MODERNIZATION OF STATE-OWNED FINANCIAL INSTITUTIONS PROJECT

KEY DATA:

Approved: June 30, 2016
Effective: n/a
Closing: December 31, 2021

FINANCING (\$ MILLION):

Financier	Financing	Disbursed	Undisbursed
IDA Credit	150	n/a	n/a
GoB	50	n/a	n/a
Dev Partners	200		

millions; as of June 30, 2016; revised amount after partial cancellation

BACKGROUND AND OBJECTIVES:

A number of SOBs in Bangladesh are significant financial institutions because of their size, outreach, developmental impact, and interconnectedness. Performance of the SOBs as a group is significant for financial stability in Bangladesh; furthermore, their underperformance has a meaningful fiscal impact. These banks are systemically important not only with regard to assets but also due to their widespread retail presence, which is crucial for financial inclusion. Their overall operations need to be automated to enhance data integrity and security, internal efficiency, and competitiveness.

Addressing deficiencies in owning, managing, and regulating the SOBs presents big opportunities. The explicit and implicit government support, trust toward them by the savers, and enhanced governance and performance would allow the SOBs to expand their long-term funding operations. The SOBs can be at the forefront of expanding financial inclusion in Bangladesh and are well placed to further pursue the unfinished agenda of inclusion. Stronger SOBs would reduce vulnerabilities in the financial system and open the market to more competition, benefiting financial sector consumers and the broader economy.

The project will support Bangladesh's efforts to develop the financial sector and enhance its stability. By modernizing the state-owned banks (SOBs), the Government of Bangladesh (GOB) aims to achieve: (a) a more stable financial system; (b) better access to finance in the society; (c) improved governance of the SOBs; and (d) lower fiscal outlays to recapitalize them.

The project will address the identified weaknesses of the SOBs in the areas of risk management, internal control, financial reporting, and resource management (including planning for staff training). It will also lead to improved bank data quality, developing better financial reporting and enhancing internal resource management and control. More specifically, the SOBs are expected to enhance their institutional capacity to better monitor and manage various risks in their daily operations and capture all the economic activities relating to their operations and provide timely financial information to meet the needs of stakeholders both inside and outside the SOBs.

- Achievements and Expected Results: n/a (the project has not yet been made effective)

IMPLEMENTING AGENCY:

Banking and Financial Institutions Division (BFID), Ministry of Finance

KEY PARTNERS:

Not applicable

BANGLADESH: URBAN RESILIENCE PROJECT

KEY DATA:

Approved: March 24, 2015

Effective: Aug 3, 2015

Closing: June 30, 2020

FINANCING:

Financier	Financing	Disbursed	Undisbursed
IDA Credit	173.00	2.93%	97.07%
GoB	6.5		
Total Cost	179.5	2.93%	97.07%

BACKGROUND AND OBJECTIVES:

Bangladesh is one of the world's most disaster-prone countries. It is highly exposed to a variety of hazards, such as floods, cyclones, tidal surges, and earthquakes. The GoB has shown that proactively investing in Disaster Risk Management saves lives, reduces economic losses, and protects development gains. The GoB has successfully instituted disaster risk reduction policies and invested in infrastructure along coastal areas to mitigate the risk from floods and cyclones. Despite these gains, the vulnerability of Bangladesh's urban areas is not as well understood, or addressed, in the country's policy framework. With 7 million people living in Dhaka and 15 million living in the wider Metropolitan area, Dhaka is particularly at risk. Land use planning regulations, and public service delivery in the urban areas have failed to keep up with the pace of growth. The current regulatory environment is somewhat opaque and the enforcement mechanisms for urban development control do not address structural safety, creating an environment that lacks practical enforcement capability and accountability. In this context, physical and social vulnerabilities keep increasing and any hazards, such as floods, fires, building collapses, or earthquakes, present a formidable threat to life and prosperity. City-level actors are critical protagonists in the effort to develop resilient and livable cities in Bangladesh. The Bangladesh Urban Resilience Project seeks to create an enabling environment for coordinated, locally managed disaster risk management based on three core pillars of disaster resilience in an urban settings: i) effectively respond to urban disasters; ii) reinforce existing infrastructure; and iii) ensure resilient construction. The project has five components:

- To reinforce the emergency management response capacity.
- To develop the consensus-driven analytical foundation required for longer-term investments to reduce risk in the built environment of Dhaka, Sylhet and other cities through the vulnerability assessment of critical and essential facilities.
- To put in place the institutional infrastructure and competency to reduce long-term disaster vulnerability in Dhaka, through improved construction, urban planning and development.
- Project coordination, monitoring and evaluation.
- The Contingent Emergency Response Component, under which following an adverse natural or man-made event that causes a major disaster, the GoB may request the Bank to re-allocate project funds to this component to support response and reconstruction.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- 68 wards will be facilitated with decentralized emergency response services in Dhaka (DNCC/DSCC)
- 20 wards will be facilitated with decentralized emergency response services in Sylhet
- 12 multi-agency exercises and drills will be completed by final year of the project
- 12 emergency management warehouses equipped with specialized search and rescue equipment will be built for FSCD
- Two fixed control rooms, 12 emergency management warehouses and 17 auxiliary control rooms will be constructed and/or renovated for FSCD.
- 10 emergency management warehouses, two emergency operations centers, three disaster risk management offices, 10 zonal control rooms, one urban resilience unit will be constructed and/or renovated for DNCC/DSCC/SCC facilities.
- Satellite Control Room facilities equipped with 6 ECT suites and 51 flyaway communication kits will be available for DDM/DNCC/DSCC/SCC/FSCD.

IMPLEMENTING AGENCY:

Dhaka North City Corporation (DNCC) (for DNCC itself, Dhaka South City Corporation, Sylhet City Corporation, Fire Service and Civil Defense (FSCD)), Rajdhani Unnayan Katripakhha (RAJUK- Capital Development Authority), Department of Disaster Management (DDM) and Project Coordination and Monitoring Unit (PCMU).

KEY PARTNERS:

Japan International Cooperation Agency (JICA) is financing Urban Building Safety Project (UBSP) which is being implemented in parallel to Urban Resilience Project (URP).

BANGLADESH: WEATHER AND CLIMATE SERVICES REGIONAL PROJECT

KEY DATA:

Approved: June 3, 2016
Effective: n/a
Closing: June 30, 2020

FINANCING:

Financier	Financing	Disbursed	Undisbursed
IDA Credit	113.00	0.0%	100.0%
GoB	15.73		
Dev Partners	128.73	0.0%	100.0%

BACKGROUND AND OBJECTIVES:

Bangladesh is one of the most disaster-prone and climate vulnerable countries in the world. It is regularly exposed to extreme weather events such as tropical cyclones associated with storm surges, floods, severe thunderstorms and drought. While Bangladesh has made impressive gains in a number of social indicators, these stand to be jeopardized unless substantial investments are made in strengthening disaster preparedness, early warning systems, and services based on weather, water and climate information. At present, the Bangladesh Meteorology Department (BMD) can issue only 24-hour general weather forecasts and does not have the required land, ocean or atmospheric observation network, hardware, software or human resource capacity for issuing accurate short term weather or longer range climate forecasts that can be used at the national level or regional levels. The hydrological network, managed by the Hydrology Division of the Bangladesh Water Development Board (BWDB), remains primarily manual with manual data collection, transmission and storage with only limited real time hydrological and flood forecasting. Even though the weather and water dependent agriculture sector that contributes to almost 16 percent of the country's GDP and provides employment to about 60 percent of the people, farmers in Bangladesh do not get any systematic agro-meteorological advisories or bulletins to be able to make appropriate decisions and adjust to weather variability at the farm level. Through investments in monitoring systems, forecasting and services, this project makes a critical contribution to strengthening disaster preparedness and climate resilience in Bangladesh and also contributes to development of weather based information services that are expected to support decision-making in key productive sectors in the country.

The project development objective is to strengthen Government of Bangladesh's capacity to deliver reliable weather, water and climate information services and improve access to such services by priority sectors and communities. The project comprises of four components:

- Strengthen meteorological information services,
- Strengthen hydrological information services and the early warning system
- Develop agrometeorological information systems
- The Contingent Emergency Response Component, which enables that following an adverse natural or man-made event that causes a major disaster, the GoB may request the Bank to re-allocate project funds to this component to support response and reconstruction.

ACHIEVEMENTS AND EXPECTED RESULTS:

- Improved forecasting of weather patterns and extreme events
- Development and provision of agromet information services to farmer groups
- Enhanced access to early warnings for significant weather and water hazards by vulnerable communities

IMPLEMENTING AGENCY:

Bangladesh Meteorology Department (BMD), Bangladesh Water Development Board (BWDB), Department of Agriculture Extension (DAE).

KEY PARTNERS:

Not applicable

BANGLADESH: LOW INCOME COMMUNITY HOUSING SUPPORT PROJECT

KEY DATA:

Approved: April 5, 2016
Effective: Yet to be declared effective
Closing: December 31, 2021

FINANCING:

Financier	Financing	Disbursed	Undisbursed
IDA Credit	50.0	0.0%	100.0%
GoB	7.0		
Total Cost	57.0	0.0%	100.0%

BACKGROUND AND OBJECTIVES:

While Bangladesh has made significant strides over the past two decades in reducing poverty, around 21 percent of Bangladesh's urban population continue to live below the poverty line. More than eight million Bangladeshis live on less than \$2 per day and housing and sanitation remain a huge challenge for the poor living in cities. The Low Income Housing Support Project aims to engage government, local community and private sectors to provide affordable housing and sanitation facility for the poor.

Poor urban households live in inadequate and insecure houses, often in unsanitary conditions and face difficulties in accessing employment, made worse by having little or no social protection. With one of the highest urbanization rates in Asia, the situation continues to worsen for an increasing number of urban poor. Promoting the inclusion of the urban poor into growing opportunities in cities can help to promote growth and shared prosperity.

The Low Income Community Housing Support Project is a pilot program that builds on organized and networked communities supported by various urban poverty programs. It will bring together government systems, local communities and private lenders in a community-based and flexible approach to secure tenure, improve onsite infrastructure, and extend affordable housing loans leveraging community systems. The project is expected to cover three municipalities in its pilot phase, benefitting around 24,000 urban poor. The project will also advance the development of affordable housing microfinance products.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- The project will benefit around 120,000 beneficiaries with improved access to services
- The project will benefit around 40,000 beneficiaries with improved housing
- Affordable housing microfinance products provided to the beneficiaries
- The project was approved by the Government of Bangladesh on May 10, 2016 and signed on June 30, 2016. The Financing Agreement has been approved, and Subsidiary Agreements with both Implementing Agencies are expected to be signed by September 2016.

IMPLEMENTING AGENCY:

National Housing Authority, Palli Karma Sahayak Foundation.

BANGLADESH: COLLEGE EDUCATION DEVELOPMENT PROJECT

KEY DATA:

Approved: September 18, 2007

Effective: November 26, 2007

Closing: June 30, 2016

FINANCING:

Financier	Financing	Disbursed	Undisbursed
IDA Credit	100.0	0.0%	100.0%
GoB	30		
Total Cost	130	0.0%	100.0%

BACKGROUND AND OBJECTIVES :

Improving skills and productivity are crucial to Bangladesh's quest to accelerate economic growth and become a middle-income country. However, the current skill levels of the labor force are unlikely to support future market demands. While there is an abundance of low-skilled workers, there is a strong demand for graduates with higher cognitive and non-cognitive skills and job-specific technical skills. This would require improving the quality and relevance of tertiary education so that education institutions are equipped to produce graduates with more market relevant skills.

The National University (NU) college system accounts for about 1.6 million, i.e. nearly two-third of all tertiary students across 1,731 affiliated government and nongovernment colleges in Bangladesh. The NU's large number of government and nongovernment colleges, enrollment, and extensive network make it critical for improving the education sector.

The project's objective is to strengthen the strategic planning and management capacity of the college education subsector and to improve the teaching and learning environment of participating colleges. As a first CEDP will focus on building up the National University college system's capacity to plan, manage, implement, and monitor their institutional programs and strengthening the foundation for the next phase of development activities. The project supports the development of a Strategic Plan for the College Subsector, to provide directions and goals for the college education subsector and a consensus-based plan of action.

Through the availability of competitive grants, CEDP promotes institution-led activities that focus on creating a quality teaching learning environment in government and non-government colleges. The Institutional Development Grants will focus on areas, such as: upgrading basic teaching-learning facilities and Internet connectivity; improving market relevance of college education through development of soft skills of students and linkages with the industry/employers, introducing quality assurance and strengthening management capacity and upgrade of the fiduciary system in the colleges.

The IDG activities will help provide government and education practitioners insight on the planning, management, and implementation capacity of participating colleges, informing the strategic plan, policy, and operations of the subsector.

CEDP promotes professional development of teachers through training offered through the establishment of a Training Consortium. The Training Consortium comprises of national training-offering agencies and the University of Nottingham as international partner to ensure global best practices in teacher training. Additionally, the project aims to fill teacher vacancies in government colleges and improve recruitment process of teachers for non-government colleges.

KEY ACHIEVEMENTS AND EXPECTED RESULTS:

- The Project is expected to be effective and commence implementation by September 30, 2016.
- The first Strategic Plan for the College Subsector to be prepared is expected to guide the tertiary college subsector.
- More than 100 competitive institutional development grants to be awarded to government and non-government colleges for improving teaching learning environment.
- Around 8,000 teachers and managers to give professional development training to bring academic excellence.
- Around 2,700 vacant teacher posts to be filled in the government colleges.

IMPLEMENTING AGENCY:

National University and University Grants Commission, Ministry of Education.

KEY PARTNERS:

Directorate of Secondary and Higher Education (DSHE), Bangladesh Open University (BOU), National Academy for Educational Management (NAEM), University of Nottingham (UoN).

