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Report No: PAD3507

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED RESTRUCTURING AND ADDITIONAL GRANT

IN THE AMOUNT OF SDR 72.90 MILLION  
(US\$100.00 MILLION EQUIVALENT)

OF WHICH

SDR 60.75 MILLION (US\$83.33 MILLION EQUIVALENT)  
IS FROM THE IDA 18 REGIONAL SUB-WINDOW FOR REFUGEES AND HOST COMMUNITIES

TO THE

PEOPLE'S REPUBLIC OF BANGLADESH

FOR THE

SAFETY NET SYSTEMS FOR THE POOREST (ADDITIONAL FINANCING)

March 12, 2020

Social Protection & Jobs Global Practice  
South Asia Region

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## **CURRENCY EQUIVALENTS**

(Exchange Rate Effective on February 29, 2020)

Currency Unit = BDT

BDT 84.89 = US\$1.00

US\$1.37 = SDR 1.00

## **FISCAL YEAR**

July 1 – June 30

Regional Vice President: **Hartwig Schafer**

Country Director: **Mercy Miyang Tembon**

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## ABBREVIATIONS AND ACRONYMS

BBS:	Bangladesh Bureau of Statistics	MGSP:	Municipal Governance and Services Project
BDT:	Bangladeshi Taka	MIS:	Management Information System
BEC:	Bid Evaluation Committee	MoDMR:	Ministry of Disaster Management & Relief
CGA:	Controller General of Accounts	MTBF:	Medium-Term Budgetary Framework
CiC	Camp-in-Charge	NHD:	National Household Database
DC:	Deputy Commissioner	NID:	National Identification
DDM:	Department of Disaster Management	NSC:	National Steering Committee
DLI:	Disbursement-Linked Indicator	NSSS:	National Social Security Strategy
DRP:	Displaced Rohingya Persons/People/Population	PAC:	Project Advisory Committee
DRRO:	District Relief & Rehabilitation Officer	PDO:	Project Development Objective
DSS:	Department of Social Services	PEC:	Proposal Evaluation Committee
EEP:	Eligible Expenditure Program	PIC:	Project/Subproject Implementation Committee
EGPP:	Employment Generation Program for the Poorest	PIO:	Project Implementation Officer
EMF:	Environmental Management Framework	PIU:	Project Implementation Unit
EMRCR:	Emergency Multi-Sector Rohingya Crisis Response	PMU:	Project Management Unit
ESMF:	Environmental & Social Management Framework	POS:	Point-of-Sale
FAO:	Food & Agriculture Organization	PPSD:	Project Procurement Strategy for Development
FFW:	Food For Work	PSC:	Project Steering Committee
FY:	Fiscal Year	PWD:	Persons-With-Disabilities
GAAP:	Governance and Accountability Action Plan	ROSC II:	Reaching Out-Of-School Children II
GBV:	Gender Based Violence	RRRC:	Refugee Relief & Repatriation Commissioner
GoB:	Government of Bangladesh	RSW:	Regional Sub-Window for Refugees and Host Communities
GR:	Gratuitous Relief	SAE:	Sub-Assistant Engineer
GRO:	Grievance Redress Officer	SAFE:	Safe Access to Fuel and Energy
GRS:	Grievance Redress Service	SDR:	Special Drawing Rights
HoSOG:	Heads of Sub-Office Group	SEA:	Sexual Exploitation and Abuse
HSSP:	Health Sector Support Project	SEG:	Strategic Executive Group
iBAS:	Integrated Budgeting and Accounting System	SID:	Statistics & Informatics Division
IBRD:	International Bank for Reconstruction & Development	SMF:	Social Management Framework
IDA:	International Development Association	SNSP:	Safety Net Systems for the Poorest
IOM:	International Organization for Migration	SPBMU:	Social Protection Budget Management Unit
IPF:	Investment Project Financing	SUFAL:	Sustainable Forests and Livelihoods
ISCG:	Inter Sector Coordination Group	TR:	Test Relief
ISPP:	Income Support Program for the Poorest	UN:	United Nations
IUFR:	Interim Unaudited Financial Report	UNO:	Upazila Nirbahi Officer
JRP:	Joint Response Plan	US\$:	United States Dollar
LGSP 3:	Local Governance Support Project 3	VGf:	Vulnerable Group Feeding
LPG:	Liquefied Petroleum Gas	WFM:	Work for Money
MDSP:	Multi-Purpose Disaster Shelter Project	WFP:	World Food Program
MFS:	Mobile Financial Service		

**Bangladesh**

**Safety Net Systems for the Poorest (AF) (IDA18 RSW)**

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**BASIC INFORMATION – PARENT (Safety Net Systems for the Poorest - P132634)**

Country	Product Line	Team Leader(s)		
Bangladesh	IBRD/IDA	Kenichi Victor Nishikawa Chavez		
Project ID	Financing Instrument	Resp CC	Req CC	Practice Area (Lead)
P132634	Investment Project Financing	HSASP (9345)	SACBD (7028)	Social Protection & Jobs

Implementing Agency: Department of Disaster Management, Bangladesh Bureau of Statistics

Is this a regionally tagged project?	
No	

Bank/IFC Collaboration
No

Approval Date	Closing Date	Expected Guarantee Expiration Date	Original Environmental Assessment Category	Current EA Category
26-Jun-2013	30-Jun-2021		Partial Assessment (B)	Partial Assessment (B)

**Financing & Implementation Modalities**

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



**Development Objective(s)**

The Objective of the Project is to improve the equity, efficiency and transparency of major Safety Net Programs to benefit the poorest households.

**Ratings (from Parent ISR)**

	Implementation				
	30-Mar-2017	03-Oct-2017	07-May-2018	03-Dec-2018	27-Jun-2019
Progress towards achievement of PDO	S	S	S	S	S
Overall Implementation Progress (IP)	MS	MS	MS	MS	S
Overall Safeguards Rating	MS	MS	MS	MS	MS
Overall Risk	S	S	S	S	S

**BASIC INFORMATION – ADDITIONAL FINANCING (Safety Net Systems for the Poorest (AF) (IDA18 RSW) - P171086)**

Project ID P171086	Project Name Safety Net Systems for the Poorest (AF) (IDA18 RSW)	Additional Financing Type Restructuring	Urgent Need or Capacity Constraints No
Financing instrument Investment Project Financing	Product line IBRD/IDA	Approval Date 31-Mar-2020	
Projected Date of Full Disbursement 30-Apr-2023	Bank/IFC Collaboration No		
Is this a regionally tagged project? No			



**Financing & Implementation Modalities**

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

**Disbursement Summary (from Parent ISR)**

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed	
IBRD				<div style="width: 0%;"></div>	%
IDA	745.00	628.81	76.85	<div style="width: 89%;"></div>	89 %
Grants				<div style="width: 0%;"></div>	%

**PROJECT FINANCING DATA – ADDITIONAL FINANCING (Safety Net Systems for the Poorest (AF) (IDA18 RSW) - P171086)**

**FINANCING DATA (US\$, Millions)**

**SUMMARY (Total Financing)**

	Current Financing	Proposed Additional Financing	Total Proposed Financing
<b>Total Project Cost</b>	2,672.00	110.65	2,782.65
<b>Total Financing</b>	2,672.00	110.65	2,782.65
<b>of which IBRD/IDA</b>	500.00	100.00	600.00
<b>Financing Gap</b>	0.00	0.00	0.00

**DETAILS - Additional Financing**



**World Bank Group Financing**

International Development Association (IDA)	100.00
IDA Grant	100.00

**Non-World Bank Group Financing**

Counterpart Funding	10.65
Borrower/Recipient	10.65

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

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
<b>Bangladesh</b>	0.00	100.00	0.00	100.00
National PBA	0.00	16.67	0.00	16.67
Refugee	0.00	83.33	0.00	83.33
<b>Total</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>	<b>100.00</b>

**COMPLIANCE**

**Policy**

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

Yes  No

Does the project require any other Policy waiver(s)?

Yes  No

Explanation

An exception to the audit requirements with respect to the frequency of audit reports is required to maintain consistency between the reporting periodicity applicable to the proposed Additional Financing, and the Original Financing (IDA 5281-BD) and first Additional Financing (IDA 6137-BD).

Has the waiver(s) been endorsed or approved by Bank Management?

Approved by Management       Endorsed by Management for Board Approval       No

Explanation

The exception has been approved by the concerned Financial Management Manager.





**INSTITUTIONAL DATA**

**Practice Area (Lead)**

Social Protection & Jobs

**Contributing Practice Areas**

**Climate Change and Disaster Screening**

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

**PROJECT TEAM**

**Bank Staff**

Name	Role	Specialization	Unit
Kenichi Victor Nishikawa Chavez	Team Leader (ADM Responsible)		HSASP
Ashiq Aziz	Team Leader		HSASP
A.N.M. Mustafizur Rahman	Procurement Specialist (ADM Responsible)		ESARU
Mohammad Reaz Uddin Chowdhury	Financial Management Specialist (ADM Responsible)		ESAG2
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Sabah Moyeen	Social Specialist (ADM Responsible)		SSAS1
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Md Shawkat Ali	Team Member		HSASP
Rocio Mariela Malpica Valera	Counsel		LEGES
Rubaba Anwar	Team Member		HSASP
S. Amer Ahmed	Team Member		HSASP
Satish Kumar Shivakumar	Team Member		WFACS



Shariful Islam	Team Member		SSAS1
Suleiman Namara	Team Member		SACBD
<b>Extended Team</b>			
<b>Name</b>	<b>Title</b>	<b>Organization</b>	<b>Location</b>

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## I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

### A. Introduction

1. This Project Paper seeks the approval of the World Bank Board of Executive Directors to provide a Grant in the amount of SDR 72.90 million (US\$100.00 million equivalent) for a proposed Additional Financing for the Safety Net Systems for the Poorest (SNSP) Project (the original Project) to support communities affected by the Rohingya crisis in Bangladesh. It is proposed that US\$83.33 million equivalent be provided from the IDA18 Regional Sub-Window (RSW) for Refugees and Host Communities with US\$16.67 million equivalent from the IDA18 core country allocation on a grant basis. The proposed Additional Financing will include a restructuring to enable investments under the original Project to support activities focused in the Cox's Bazar district. This would entail a revision of the Project Development Objective (PDO) and selected operational arrangements. No new safeguards policies are triggered, and the safeguards category will remain unchanged. This Additional Financing is being submitted for the Board's consideration along with two other complementary projects as part of the World Bank's second phase of support to the Government of Bangladesh in addressing the impact of the Rohingya crisis — Additional Financing for the Emergency Multi-Sector Rohingya Crisis Response Project and the Health and Gender Support Project for Cox's Bazar District.

### B. Country Context

2. Bangladesh has enjoyed relatively high and stable growth over the last two decades, accompanied by fast poverty reduction. Gross Domestic Product (GDP) grew well above the average for developing countries at around 6 percent per annum since 2000. The poverty rate dropped by a half from 48.9 percent in 2000 to 24.5 percent in 2016.<sup>1</sup> With per capita Gross National Income (Atlas method) at US\$1,944 in 2019, Bangladesh has been a lower middle-income country since 2015. Macroeconomic fundamentals have been sound, with inflation under control (5-6 percent) and fiscal deficit at a relatively low level. Growth in manufacturing exports and remittance flows, as well as slow import growth, has kept the external balance, with a comfortable level of foreign exchange reserves (equivalent to 5.8 months of imports as of June 2019).
3. Despite robust growth, the pace of poverty reduction and job creation has slowed down. While the annual GDP per capita growth rate increased to 5.2 percent in 2010-16, compared with 4.9 percent during 2005-10, the pace of associated poverty reduction slowed, especially in urban areas. With rapid urbanization, the absolute number of urban-poor was higher in 2016 than in 2010. The welfare gap widened with different rates of progress in demographic change and educational attainment, as well as slower agricultural growth. The pace of job creation in the formal sector also slowed down. Total employment grew by 1.8 percent between 2011 to 2016, compared with 3.1 percent per year between 2003 and 2010.
4. Bangladesh is one of the most disaster-prone and climate-vulnerable countries in the world. It is ranked the 6th most climate vulnerable country among 181 countries. Consequently, social vulnerability to disasters and climate change is also high. The country also faces considerable development challenges posed by its low and flat topography and vulnerability to floods, torrential rains, erosion, storms and tidal surges due to severe cyclones and landslides. Its vulnerability is exacerbated by climate change induced increase in frequency and intensity of extreme weather events, and sea-level rise. Damages and losses associated with a single extreme

<sup>1</sup> World Bank Poverty Assessment (2019) based on Bangladesh Bureau of Statistics upper poverty line.



event impose substantial costs on the national economy.

5. In the last two years, Bangladesh has been coping with a large inflow of people displaced from Myanmar. As at December 31, 2019, Bangladesh hosts 1.1 million Displaced Rohingya Population (DRP) (according to the 2020 Joint Response Plan (JRP) for Rohingya Humanitarian Crisis), there are approximately 855,000 DRP of whom approximately 459,000 are children). They are concentrated in mostly in congested camps, in the Teknaf and Ukhia upazilas – among the poorest of eight upazilas in the district – where they exceed the host community population.<sup>2</sup> Both host and Rohingya communities have enormous needs for social assistance and other services which places a significant strain on an already resource-constrained delivery system.
6. In the face of the crisis, a high level of economic vulnerability is prevalent in the host community. The population in Cox's Bazar is young and poorly educated and is hosting a displaced population that is overall younger and less educated than themselves. 40 percent of the district's population is below the age of 15, compared to 32 percent at the national level.<sup>3</sup> While the employment rate in the host community is high (mostly engaged in agriculture), only one third of the DRP are working informally in the camps. Housing conditions are poor especially in areas close to the Rohingya camps. Nearly half of all host community households use shared water and sanitation facilities.

### C. Continued Adequacy of the Refugee Protection Framework

7. Following consultation with the United Nations High Commissioner for Refugees (UNHCR), the World Bank assesses that, on balance, the overall protection framework for refugees in Bangladesh continues to be adequate for the purpose of the IDA18 RSW.<sup>4</sup> Since Bangladesh's initial eligibility for the IDA18 RSW in 2018, some elements of policy and practice in this regard have improved, while many remain constant, and some new risks have emerged.
8. Bangladesh continues to keep its borders to Myanmar open and currently hosts approximately 1.1 million DRP (approximately 855,000 DRP according to the 2020 JRP for Rohingya Humanitarian Crisis). Basic assistance in the form of food, shelter, and essential services are provided, using government systems, with support from the international community. The Government of Bangladesh (GoB) continues to adhere to a 2018 memorandum of understanding signed with UNHCR committing to safe, voluntary and dignified return, and no involuntary repatriations have been made.
9. However, protection-related challenges remain for DRPs. These include overcrowding in camps, lack of refugee status, limited access to cash and livelihoods programs, and a high prevalence of trafficking and

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<sup>2</sup> Upazilas are sub-district administrative units. Unions are sub-upazila administrative units.

<sup>3</sup> Estimates based on 2016 HIES.

<sup>4</sup> Adequacy is determined based on adherence to international or regional instruments, such as the 1951 Refugee Convention or its 1967 Protocol, or the adoption of national policies and/or practices consistent with international refugee protection standards. As Bangladesh is not a signatory to these conventions, and refugee rights are not regulated through any specific national legislation, this adequacy is based largely on the GoB's current policy and practice towards refugees. The Government governs the DRP population primarily through policy decisions by the National Task Force communicated through directives, letters and administrative instruments.



sexual and gender-based violence, including of children.<sup>5</sup> As the DRPs don't have civil status under national law, they have also challenges regarding access to justice. There are limited telecommunication services and the construction of a fence around the camps. While the Bank has concerns around these measures as they may impede service delivery and emergency response in a disaster-prone region, in the Government of Bangladesh's view, the fence has a positive effect on the security situation of the DRP as it provides a degree of protection against external threats.

10. A key protection-related concern is in the area of education where GoB policy is that DRP children in Bangladesh may not receive accredited education and may not be instructed in Bengali.<sup>6</sup> On January 26, 2020, the Government approved the use of the Myanmar curriculum for DRP children, starting with a pilot for approximately 10,000 students in grades 6 to 9. The Government and the international community, including the World Bank, are working to advance measures to meet critical gaps in DRP's access to education and skills development opportunities.
11. In light of the above, current policy and practice are such that, on balance, support via the IDA18 RSW is warranted and may also be a means to further improve the protection environment. As the situation evolves, the World Bank will work closely with GoB and UNHCR counterparts on assessing the continued adequacy of the protection framework.
12. The GoB has been open to supporting development in the camps and host communities. They also engage constructively with the World Bank, United Nations (UN) agencies, particularly UNHCR, in policy dialogue, planning and coordination for the delivery of services. In its 2018 preliminary action plan, the GoB outlined five priority areas of basic service provision for the DRP in the areas of health; water, sanitation and hygiene; social protection; environmental management, access roads and disaster risk management; and learning centers and life skills. The implementation of this plan is being supported through the first phase of IDA18 RSW-financed operations in Cox's Bazar District covering health, education and multi-sector emergency response (which includes water, sanitation, access roads and disaster risk management, among others). Going forward, policy and institutional improvements to benefit both host communities and DRP will be important in the areas of education, health, social protection, and access to gender-based violence prevention services.

#### **D. Project Background**

13. The original Project aims to improve the equity, efficiency and transparency of major safety net programs to benefit the poorest. These programs are the Employment Generation Program for the Poorest (EGPP), Food for Work<sup>7</sup>, Test Relief (TR), Vulnerable Group Feeding (VGF), and Gratuitous Relief (GR), and collectively reach over twelve million households in Bangladesh (equivalent to nearly forty-nine million individuals)<sup>8</sup>. Component 1 supports the Department of Disaster Management (DDM) under the Ministry of Disaster

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<sup>5</sup> The GoB had plans to relocate 100,000 DRP from their current settlement in Cox's Bazar district to the island of Bhashan Char; however, to date, no DRP has been relocated and the GoB has recently announced that the relocation plan is no longer under consideration.

<sup>6</sup> By December 2019, there were 5,861 learning facilities across the 34 camps (including 3,316 learning centers, 2,487 community-based learning facilities and 58 cross-sectoral shared learning facilities). These facilities enroll a total of 334,657 refugee children aged between 3 to 24 years.

<sup>7</sup> Closed in FY 2017 and replaced by Work for Money (WFM) from FY 2017, but since FY 2019 both "windows" operate in parallel.

<sup>8</sup> The Rohingya community is not eligible for these programs.



Management & Relief (MoDMR) to improve the performance of safety net programs relating to household targeting, administrative systems, and payment systems. Component 2 provides technical assistance to DDM to utilize data from the forthcoming National Household Database (NHD) to identify potential recipients, establish a common program management information system (MIS), and scale-up digital payments. Component 3, implemented by the Bangladesh Bureau of Statistics (BBS) under the Statistics & Informatics Division (SID), supports the implementation of the NHD, the country's first social registry, which would allow safety net programs to use objective criteria for beneficiary identification.

14. The results-based financing under the original Project reimburses a portion of expenditures under the EGPP – the country's flagship public works program. The EGPP was initiated in FY 2009 in response to the food, fuel, and financial crisis in 2007-08 which drew over 4 million people into poverty. The program aims to create temporary employment<sup>9</sup> for the poor and enhance disaster resilience of vulnerable households. It uses geographic targeting to direct more resources to upazilas with higher poverty rates and household eligibility criteria to reach the landless and daily laborers, with a one-third quota for women. EGPP has had significant impacts: EGPP beneficiaries have increased savings, reduced loans, improved consumption and investments in health, and reduced negative coping mechanisms during lean seasons.
15. The original Project was approved on June 26, 2013 and restructured on June 30, 2016. An Additional Financing (IDA 6137-BD) was approved on December 15, 2017 to scale-up the use of selected systems, cover cost overruns, and extend the closing date by eighteen months. This financing focused on digitizing processes for program targeting (increased NHD usage for EGPP and VGF), administration (increased MoDMR/DDM use of program MIS) and benefit delivery (increased digital payments for EGPP). On May 14, 2019, the closing date of the Original Financing (IDA 5281-BD) and the Additional Financing (IDA 6137-BD) was extended by two years to allow the completion of pending activities and to facilitate the establishment of interventions in the Cox's Bazar district.

### **E. Project Performance**

16. The Project has co-financed BDT 39.45 billion (US\$486.02 million) in wages paid to beneficiaries of the EGPP, which has created 197.24 million person-days of employment. This represents a 59 percent contribution to the Government's total expenditure of BDT 66.77 billion (approximately US\$795 million equivalent)<sup>10</sup> and the generation of 333.84 million person-days of employment (during the period FY 2014 to FY 2018). The EGPP currently reaches over 960,000 households in Bangladesh. Cumulative disbursement under the Project is approximately 89 percent, while Progress towards Achievement of the PDO has been rated satisfactory and Implementation Progress has been rated moderately satisfactory or satisfactory for more than twelve consecutive months. There are no outstanding audits under the Project. Remaining activities focus on the deployment of the MoDMR/DDM program MIS and the NHD. The integration of the respective systems would allow for the achievement of two outstanding DLI Targets under Component 1, expected within FY 2020 and resulting in full disbursement under Component 1.

### **F. Rationale for Additional Financing**

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<sup>9</sup> Work is provided for 80 days each fiscal year across two phases of 40 days each. As of FY 2020, the daily wage rate is BDT 200.

<sup>10</sup> Based on an exchange rate of BDT 84.00 per US\$1.00.



17. Since the inflow of the DRP, the host population has faced a dual shock of downward pressure on wages and increasing prices of goods and services. Negative environmental impacts have also resulted in the loss of agricultural and livestock related livelihoods. The proposed Additional Financing would provide livelihoods and income support to poor and vulnerable households in the host community to cope with these negative economic impacts and would scale-up coverage of the benefits to the Rohingya community. In light of perceptions of inequity between the communities and resulting social tensions, the proposed Additional Financing would provide equitable benefits to the two communities. Interventions would also help promote positive interactions between host and Rohingya communities through targeted communication and facilitating the purchase of commodities from local markets.
18. With a population of approximately two million, the host community represents around two-thirds of the population in the district, while the DRP represent the remaining third. The distribution of resources from the proposed Additional Financing is based on the proportional representation of each community (i.e. US\$70 million for the host community and US\$30 million for the Rohingya community). Overall, assistance to the DRP will amount to US\$65 million across the proposed Additional Financing and the ongoing EMRCR Project, which means both host and Rohingya communities would receive approximately the same level of support from the IDA18 RSW in the form of social assistance.
19. The EGPP currently covers all sixty-four districts in the country, but a shock-responsive scale-up in Cox's Bazar would require additional resources, since EGPP currently provides support to about 16,000 of the estimated 91,000 poor households and since the EMRCR Project only covers approximately half of the DRP. The mobilization of resources via an Additional Financing is an ideal mechanism, since the proposed EGPP expansion would leverage field resources and systems supported by the original Project and since the same institution is already responsible for the support to the DRP under the EMRCR Project.
20. In addition to providing households the ability to counter the wage and prices shocks, and thus mitigate the impacts of the crisis, the proposed Additional Financing also serves the broader strategic objective of providing a replicable model for Government to rollout in the event of future shocks, whether natural or human-induced, using information systems to trigger responses and identify households, pre-defined mechanisms to scale up or down, and a financing strategy to ensure resources are available in a timely and sustainable manner. This strategic objective is fully aligned with GoB efforts to adapt and mitigate the negative impacts of climate change, particularly for the poor and vulnerable, whose vulnerability is exacerbated by increases in the frequency and intensity of extreme weather events and sea-level rise.
21. The combined effect of poverty and climate on vulnerable groups can be devastating. Effects on groups such as the elderly, widowed and persons-with-disabilities (PWD) are particularly acute. The elderly are more susceptible to illness and less resilient in situations of water and food shortages which are inherent effects of climate change. Social isolation, poor mobility, and limited access to resources during extreme climate events aggravate vulnerability for PWDs, as well as the elderly. Women, especially when widowed, tend to be marginalized and lack agency and resources to garner resilience to climate induced shocks. These risks are particularly high in Cox's Bazar considering the district's high exposure to hydrological and geophysical hazards and the environmental degradation resulting from the forced displacement. The proposed Additional Financing would specifically support such interventions.
22. Bangladesh has performed well in narrowing the gender gap over the last decade in terms of education,



health, and increased economic participation. However, progress in women’s empowerment has been slow in several areas, including Cox’s Bazar. Conservative social norms impose gender roles that can significantly limit women’s mobility beyond the homestead, depriving them of education and health services, as well as participation in economic activities, subjecting them to a disproportionate effect of poverty.<sup>11</sup> When women find jobs in agriculture, their daily wages are significantly lower than those of male workers.<sup>12</sup> Women in the DRP community also have suffered from conservative norms, where mobility is restricted despite their role as providers for their families. For both communities, the proposed Additional Financing would provide income support to women and include features which are favorable for increasing women’s participation such as quotas (40 percent for host communities and 60 percent for the DRP), activities designed to take into account gender roles and norms, and targeted information to promote community awareness.

## II. DESCRIPTION OF ADDITIONAL FINANCING

### A. Changes to the Original Project

23. By providing income support for host and Rohingya communities using a cash-for-work<sup>13</sup> approach, the proposed Additional Financing will cluster its activities into two new Components (4 and 5) and finance the ongoing Component 2. This will entail changes to the (i) PDO, (ii) results framework, (iii) components and costs, (iv) closing date, (v) allocation between disbursement categories, (vi) disbursement arrangements, (vii) implementing agency, and (viii) legal covenants.

24. PDO: The original (and current) PDO is to “improve the equity, efficiency, and transparency of major safety net programs to benefit the poorest households”. This will be modified to incorporate the element of shock-responsiveness. Accordingly, the modified PDO is to “improve the equity, efficiency, transparency and shock-responsiveness of major safety net programs to benefit the poorest and most vulnerable households”. The proposed Additional Financing would directly benefit 40,000 households among the host community as well as 85,000 households among the DRP. On the host community side, two indicators capture households benefitted; these are “Beneficiaries of EGPP” (end target 990,000) and “Beneficiaries of EGPP+” (end target 40,000). The former indicator encompasses the EGPP nationally, which includes the EGPP+ special window which will operate solely in Cox’s Bazar (i.e. 950,000 in 63 districts plus 40,000 in Cox’s Bazar district). The latter indicator covers only the incremental number of households in Cox’s Bazar (i.e. 40,000). The number of DRP benefitted is captured by the indicator “Beneficiaries of Rohingya community services/works” (end target 85,000). Relevant definitions are:

- “Poor” households refer to host community households unable to afford a basic consumption basket.
- “Vulnerable” households refer to host and Rohingya community households negatively affected by a shock, and in need of temporary social assistance to cope with the emergency as well as achieve some

<sup>11</sup> Sraboni, Quisumbing, Ahmed. How Empowered are Bangladeshi Women in the Agricultural Setting? Empirical Evidence using a New Index. 2014.

<sup>12</sup> Yearbook of Agricultural Statistics. BBS, 2018.

<sup>13</sup> Here, the term “cash” in does not necessarily imply the exchange of currency but more broadly applies to any remuneration in the form of monetary benefits, vouchers, points on electronic instruments allowing purchase for predefined goods, etc.





level of recovery.

25. Results Framework: This Additional Financing will modify selected existing results indicators and/or targets, while four new PDO indicators and seven new intermediate indicators will be introduced (these are detailed in section VII. Results Framework and Monitoring).
26. Components and Costs: 95 percent of the proposed Additional Financing would finance interventions for host and Rohingya communities (Components 4 and 5), while 5 percent would finance Component 2. The total Project commitment from IDA resources by Component and source of financing would be as follows:

Component	IDA Commitment (US\$ million equivalent)			
	IDA 5281-BD <sup>14</sup>	IDA 6137-BD	RSW Grant	Total
1. Support to MoDMR Safety Net Programs	400.76	187.00 <sup>15</sup>	-	<b>587.76</b>
2. Strengthening MoDMR Program Administration and Shock-Responsiveness	27.96	9.00	5.00	<b>41.96</b>
3. Development of the NHD	37.28	49.00	-	<b>86.28</b>
4. Strengthening Community Resilience with EGPP+	-	-	65.00	<b>65.00</b>
5. Strengthening Community Resilience for the DRP	-	-	30.00	<b>30.00</b>
	<b>466.00</b>	<b>245.00</b>	<b>100.00</b>	<b>811.00</b>

- (a) Component 1: Support to MoDMR Safety Net Programs: Component 1 has been supporting DDM to improve the performance of five major safety net programs via results-based financing relating to household targeting, administrative systems, and payment systems. No allocation would be made to this Component under the proposed Additional Financing. However, US\$5 million would be reallocated from this Component to Component 2, to allow DDM to maintain its investments and finance recurrent costs over the extended Project period. The reduction from Component 1 would be made from the outstanding FY 2019 DLI Target, without reducing the relevance of the DLI Target with regards to the “equity” aspect of the PDO as the Target is not being modified in form or substance.
- (b) Component 2: Strengthening MoDMR Program Administration and Shock-Responsiveness: In addition to the activities under the Original Project, this Component would support DDM in the development and implementation of a shock-responsive EGPP+ to deliver benefits to poor and vulnerable households in Cox’s Bazar district, and establish a mechanism to respond to various crises including economic shocks, natural disasters, and forced displacement by, inter alia: (a) formulating a shock-responsive safety net strategy and all associated manuals and guidelines; (b) strengthening local supervision capacity under the overall direction of the District Relief and Rehabilitation Officer (DRRO), and including coordination

<sup>14</sup> The original commitment was US\$500.00 million. The appreciation of the US\$ against the XDR since May 2013 (XDR 1: US\$1.50900) resulted in a “loss” of approximately US\$34.00 million equivalent as of May 2016 (XDR 1: US\$1.40583), leaving approximately US\$466.00 million at that time. The cost for the Original Financing (IDA 5281-BD) was revised accordingly in a Restructuring Paper approved on June 30, 2016.

<sup>15</sup> US\$5.00 million would be reallocated from Component 1 to Component 2 under the first Additional Financing (IDA 6137-BD).



with the Refugee Relief and Repatriation Commissioner (RRRC) to ensure technical coherence between EGPP+ and DRP interventions under Part 5 of the Project; (c) establishing implementation partnerships with UN agencies and/or other international/local agencies/organizations to provide support for specific intensive functions, including, inter alia, subproject progress monitoring, beneficiary attendance verification, and grievance management, and designing the content of awareness-raising information activities; (d) establishing a payment strategy using the Recipient's government-to-person payment platform; and (e) enhancing monitoring and evaluation through the spot checks of program performance.

- (c) Component 3: Development of the NHD: In addition to the activities under the Original Project, this Component would support the effective deployment of the NHD and promoting its use by key social programs by, inter alia: (a) undertaking key assessments to ensure implementation readiness and reliability of the NHD including: (i) data quality reviews, (ii) technical systems functionality reviews, and (iii) a legal environment reviews; (b) developing governance arrangements and operational procedures to establish all procedures and protocols for user access to data, regular data updating, and data management and protection, and others; (c) promoting the use of the NHD for eligibility assessment and poverty verification by various social programs; (d) scaling up the use of NHD by DDM, Local Government Division, and Department of Social Services, amongst others, and adjusting operational procedures where necessary; (e) supporting the implementation of EGPP+ in Cox's Bazar by inter alia, updating household data in the district, incorporating specific requirements in EGPP+ eligibility determination, and provision of regular technical support to DDM.
- (d) Component 4: Strengthening Community Resilience with EGPP+: This Component would provide support to Host Beneficiaries by: (a) carrying out of Public Works Subprojects through the provision of Wages (at rates established by MoDMR) to beneficiaries of said subprojects in exchange for their work in activities related to, inter alia, environmental protection, site improvement, economic resilience, and water and sanitation; and (b) carrying out of Community Service Subprojects through the provision of Stipends (at rates established by MoDMR) in exchange for their provision or participation in activities related to, inter alia, communication and social mobilization (relating to climate and disaster risk resilience, adoption of clean energy for cooking, addressing gender-based violence, among others), care-taking, and cleaning.
- (e) Component 5: Strengthening Community Resilience for the DRP: This Component would provide support to DRP Beneficiaries by: (a) carrying out of Community Service Subprojects through the (i) provision of Stipends (at rates established by MoDMR) to beneficiaries of said Subprojects in exchange for their provision or participation in activities related to, inter alia, communication and social mobilization (relating to climate and disaster risk resilience, adoption of clean energy for cooking, addressing gender-based violence, among others), care-taking, and cleaning; (ii) the provision of capital inputs (equipment and tools) for carrying out said subprojects; and (iii) managing and supervising all activities under said subprojects; and (b) carrying out of Community Works Subprojects through the (i) the provision of Wages (at rates established by MoDMR) to beneficiaries of said subprojects in exchange for their work in activities related to, inter alia, environmental protection, site improvement, economic resilience, and water and sanitation; (ii) the provision of capital inputs (equipment and tools) for carrying out said subprojects; and (iii) managing and supervising all activities under said subprojects.

27. Closing Dates: The closing date of the Original Financing (IDA 5281-BD) and first Additional Financing (IDA



6137-BD) would be extended until December 31, 2022, to align with that of the proposed Additional Financing.

28. Allocation between Disbursement Categories: Under the first Additional Financing (IDA 6137-BD) US\$5.00 million would be reallocated from Category 1 (i.e. Component 1) to Category 2 (i.e. Component 2), to allow DDM to maintain investments and finance recurrent costs over the extended Project period. The reduction from Category 1 (i.e. Component 1) would be made from the amount allocated to one outstanding DLI Target, without modifying the target. New disbursement categories will be assigned for Components 4 and 5 under the proposed Additional Financing.
29. Disbursement Arrangements: Special Commitments will be included as a disbursement method as Component 5 would be implemented in partnership with the World Food Program (WFP).
30. Implementing Agency: The implementing agencies for Components 1, 2 and 3 would remain unchanged. Component 4 would be implemented by DDM (under the same arrangements as Components 1 and 2), while Component 5 would be implemented by MoDMR. The institutional arrangements for Components 1, 2 and 3 would remain unchanged. Component 4 would follow the same arrangements as those applicable to MoDMR and DDM under Components 1 and 2. Separate arrangements would apply to Component 5 which would be implemented directly by MoDMR under a contract with WFP replicating the arrangements under the EMRCR Project (see Annex 1).
31. Legal Covenants: Four covenants are being introduced under the proposed Additional Financing: (i) the signing of a memorandum of understanding between DDM and BBS on the use of the NHD for beneficiary selection, (ii) the engagement of services to provide implementation support to EGPP+, (iii) the engagement of services to conduct spot checks of EGPP+, and (iv) the exclusion of any activities related to repatriation or relocation of DRP. Two disbursement conditions will also apply, (i) the preparation and adoption of implementation guidelines for EGPP+ for Component 4, and (ii) the adoption of the existing Project Operational Manual of the EMRCR Project for Component 5. Furthermore, three effectiveness conditions which would also apply are (i) that an adequate refugee protection framework satisfactory to the World Bank is maintained, (ii) that an Environmental and Social Management Framework (ESMF), for the purpose of Component 4, is adopted; and (iii) that an ESMF, for the purpose of Component 5, is adopted. All three effectiveness conditions are already in place.

## B. Strategic Relevance

32. The proposed Additional Financing remains aligned with the World Bank Group's Country Partnership Framework (CPF) (FY 2016-2020)<sup>16</sup> and its three strategic focus areas – (i) growth and competitiveness, (ii) social inclusion, and (iii) climate and environment management. The proposed Additional Financing would primarily address the second focus area (specifically, objective 2.3 “improved social protection coverage for the poor”) and the third focus area (specifically, objective 3.1 “increased resilience of population to natural disasters in urban and coastal areas”) as public/community works and community services would focus on building resilience to natural disasters and as the Project would support the development of an adaptive social protection framework to respond to future shocks, disasters or crises.

<sup>16</sup> March 8, 2016, discussed by the Board on April 5, 2016 (Report 103723-BD).



33. It is also aligned with Bangladesh's Seventh Five Year Plan (FY 2016 – FY 2020), which emphasizes continued investments in poverty reduction and a sustainable development pathway that is resilient to disaster and climate change. Accordingly, activities that benefit host and Rohingya communities will consider the vulnerability to climate change and shocks, in order to enhance sustainability. Finally, it is aligned with the Gender Strategy in the Seventh Five Year Plan, which commits to the inclusion of women in safety nets and creating opportunities to partake in productive activities.

### C. Sustainability

34. MoDMR is tasked with activities relating to disaster risk reduction, emergency response management, selected safety nets, and refugee-related program implementation. Project activities are intended to mitigate risks to the poor and vulnerable through increased delivery capacity and the establishment of a national response system to face large scale disasters. The adaptation of the EGPP by creating a window for delivery in response to shocks (the EGPP+) is aligned with the Ministry's core objectives and provides both a strategic and technical basis for its continuity. Considering EGPP's experience in promoting household welfare and the Government's medium-term budgetary framework (MTBF) which estimates increased allocations from FY 2020 to FY 2022, the program will continue to be relevant in addressing disasters, shocks and crises.
35. The proposed Additional Financing's support to the Ministry in the provision of social assistance to Rohingya households will build upon MoDMR's central functions of camp management and coordination of international support, to play a lead role in the provision of resilience-enhancing safety nets. In this manner, MoDMR will ensure a significant level of technical coherence between activities for host and Rohingya communities, allowing the Government to support the DRP after the proposed Additional Financing.<sup>17</sup>

## III. KEY RISKS

36. The overall risk is substantial based primarily on risks emerging from the (i) political and governance environment, (ii) sector strategies and policies, (iii) institutional capacity for implementation and sustainability, (iv) fiduciary capacity of implementing agencies, (v) stakeholders and (vi) protection framework. Although the drivers of risks vary, the overall rating remains unchanged from that of the original Project.
37. Risks due to the *political and governance environment* (substantial) arise due to the possibility of events with adverse consequences relating to the DRP, policy formulation towards a suitable program, and a possible protracted situation with regards to repatriation arrangements. The political economy of any service delivery effort in Cox's Bazar is very sensitive, given the fact that the Rohingya community is placing further stress on existing services for the host population. Therefore, any assistance to Cox's Bazar needs to take this sensitivity into account, as well as the fact that much of the recent external assistance has benefitted the DRP with little focus on the host community. As such, mitigation capabilities are limited to the technical design of the proposed Additional Financing which would provide similar support to both host and Rohingya

<sup>17</sup> Management of DRP information will necessitate the integration of rules and principles established under the Policy on the Protection of Personal Data of Persons of Concern to UNHCR.



communities.

38. *Sector strategies and policies* (substantial) remains a risk factor due to the evolving crisis and multifaceted needs of the DRP. Although Bangladesh has a comprehensive National Social Security Strategy, 2015, and a range of existing safety net programs for its population, these do not provide any support to the Rohingya community. The absence of strategies and policies specific to the DRP renders activities under the proposed Additional Financing subject to policy shifts which can create some level of unpredictability. However, MoDMR will utilize a similar instrument (i.e. public works and/or cash-for-work) and benefits to support the host and Rohingya communities which would also help address social tensions between the two.
39. *Institutional capacity for implementation and sustainability* (substantial) as well as *fiduciary capacity* (substantial), are issues of concern due to the plans for rapid scale-up for the shock-responsive EGPP+ given limited staffing and resources for implementation and monitoring. In this regard, requisite training, investments in technology, and the use of multiple instruments for monitoring and evaluation would support capacity building. For the DRP intervention WFP (and/or any other UN/international/local agencies/organizations contracted to support implementation) would support knowledge transfer in the implementation of safety nets, particularly benefit management, within the camp settings.
40. The risk rating relating to *stakeholders* (substantial) is being raised from that assessed for the original Project. The risk level is considered higher due to the engagement of a greater number of agencies/organizations supporting cash-based interventions primarily for the DRP but also, on a more limited scale, the host community, and the potential for overlap and duplication. Accordingly, existing institutional mechanisms between Government and development partners would be utilized to ensure alignment during the implementation of the Rohingya community services/works.
41. Other Risk: Protection Framework Risk (High). Under the IDA 18 Sub-Window continuing eligibility process, the Bank, in consultation with UNHCR, has determined that, on balance, the protection framework in Bangladesh continues to be adequate. However, there remain a set of protection-related challenges (see paragraph 9). While the GoB looks forward to the voluntary, safe, dignified and sustainable return of the Rohingyas to their homesteads, it has assured the Bank of its commitment to ensure the safety and security of the DRPs. The World Bank will continue its dialogue with the GoB and UNHCR to ensure the adequacy of the protection framework during implementation. Furthermore, the proposed project specifically precludes the use of Bank resources for the purposes of relocation or repatriation. The Bank is engaging at the policy level to address these issues. A reporting mechanism will be established for any service access issues that may emerge and timely resolutions will be sought with GoB and implementation agencies.

## IV. APPRAISAL SUMMARY

### A. Economic and Financial Analysis

42. Safety nets have been successfully used in many countries during times of crisis to provide transfers to the poor and vulnerable. These have included different types of programs – from simple cash transfers in Colombia, Kenya and Pakistan; to public works in Ethiopia, Korea, and Mexico; to food programs in some Sahelian countries. As they provide affected populations with timely resources, these programs can help



prevent devastating losses in human or productive capital. Programs typically combine an increase of grant amounts to existing beneficiaries (vertical expansion) as well as an expansion of coverage of the vulnerable (horizontal expansion). Existing programs such as cash transfers and public works can thus be leveraged as conduits to rapidly inject assistance to poor households in affected areas. Such programs have demonstrated their ability to mitigate negative impacts from shocks, and in addressing gender dimensions of poverty and vulnerability, including consumption, nutrition, employment, as well as autonomy and GBV.<sup>18</sup>

43. Part of the ability of safety nets to mitigate negative impacts comes from their ability to target those most at risk. The use of the EGPP, with modified features, to reach the poor and vulnerable host community in Cox's Bazar would be effective as 62 percent of beneficiaries come from the bottom two quintiles of the income distribution, nationally.<sup>19</sup> Under the EGPP, women represent around 34 percent of beneficiaries nationally, and their share is expected to reach 40 percent under EGPP+ and up to 60 percent from among the DRP.
44. Generally, the poor are particularly vulnerable to shocks for multiple reasons, which include a lack of savings and limited access to finance and formal insurance.<sup>20</sup> To protect their short-term well-being and consumption after a shock, poorer households may instead turn to such negative coping strategies as removing children from school to work for extra household income, availing high-interest loans, and selling productive assets. However, such short-term coping strategies can jeopardize the household's longer-term well-being. Receiving assistance from safety nets can lessen the need for such negative coping strategies. With Ethiopia's Productive Safety Net Program (PSNP), the share of beneficiaries who reported making a sale of assets to meet food needs or non-food emergency needs decreased by half.<sup>21</sup> These outcomes have significant impacts on women who are disproportionately affected during times of shock and financial hardship.
45. Safety net programs, including public works programs such as EGPP, have significant welfare effects on their beneficiaries. EGPP has been found to have generally positive impacts on its beneficiary households. Participation in the EGPP boosts overall household consumption by 7.7 percent to 10.6 percent on average.<sup>22</sup> EGPP participation has been found to have other positive impacts on household welfare, such as improving food security, increasing average expenditure on healthcare services, and reducing outstanding household loans. Globally, evidence confirms that they help improve resilience at the household level, including increased likelihood to save. Global evidence demonstrates that safety net programs show no negative impacts on labor supply, and EGPP households appear to maintain their level of employment.
46. With higher transfers and more beneficiaries than the "regular" EGPP, the welfare impact of the shock-responsive EGPP+ is expected to be even more significant. A combination of a greater district budget, higher daily transfers, and greater number of days of potential work would result in impacts on consumption of the poor much greater than the national program's impact. The shock-responsive EGPP+ is expected to increase

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<sup>18</sup> Fallon and Lucas 2002; Subbarao et al. 2012; A. Coudouel, E. Monsalve. *Realizing the Full Potential of Social Safety Nets in Africa*. African Development Forum Series. Washington, DC. The World Bank, 2018.

<sup>19</sup> Cho, Yoonyoung, and Ummul Ruthbah. "Does workfare work well? The case of the Employment Generation Program for the Poorest in Bangladesh"; Policy Research Working Paper No. 8395. The World Bank, 2018.

<sup>20</sup> *Closing the Gap: Building Resilience to Natural Disasters and Man-Made Shocks through Social Safety Nets*. The World Bank, 2016.

<sup>21</sup> Hoddinott et al. *The Impact of Ethiopia's Productive Safety Net Programme on the Nutritional Status of Children: 2008–2012*. Ethiopia Strategy Support Program. Ethiopian Development Research Institute and International Food Policy Research Institute, 2015.

<sup>22</sup> Cho and Ruthbah, 2018.



coverage from about 16,000 households to around 40,000 households. This is expected to extend coverage to close to half of the households living in poverty in Cox's Bazar. If the program maintained its transfers to the level of the regular program, this increased coverage would be expected to reduce poverty rates in Cox's Bazar by an estimated 1.3 to 2.0 percentage points (down from current district poverty rate of 16.60 percent). With the increased transfers under the shock-responsive EGPP+, the poverty impacts are expected to be at least three times as great. Among the DRP, the community services/works program will directly impact beneficiary households. Under the ongoing EMRCR Project, the transfers cover between 12 percent to 18 percent of the minimum expenditure basket. Estimates suggested that such transfers would reduce the poverty rate for the Rohingya community (using the minimum expenditure basket) by about 10 percentage points (or 20 percent of the prevailing poverty).<sup>23</sup>

47. In addition to their direct impact on the poor, vulnerable, or displaced population, transfers can have broader effects on the local economy. As beneficiaries use their transfers to purchase goods and services, some of the funds are likely to remain in the local communities (for all locally produced/delivered goods and services). This applies to the shock-responsive EGPP+ as well as the interventions that boost consumption of Rohingya households. Local economy-wide impact evaluation for cash transfer programs in seven countries in Africa revealed total income multipliers ranging from 1.27 to 2.52 (each US\$ transferred to poor eligible households generated an additional US\$0.27 to US\$1.52 of local income, in addition to the benefits to the poor themselves).<sup>24</sup> This spillover benefits all households, including those that are not eligible for transfers – e.g. an additional adult refugee receiving US\$120-126 boosted average per capita real incomes in the local host economy by US\$205-253, in a study of refugee camps in Rwanda.<sup>25</sup> While the exact magnitude of the possible impact is contingent on the size of the transfers and the level of access that the DRP have to host community markets, evidence on the economic impact of refugees on local economies suggests that it can be substantial.

## B. Technical

48. Public works programs have been used as a crisis response mechanism in several countries, such as Trabajar in Argentina, Programa de Empleo Temporal in Mexico, the Productive Social Action Program in Mozambique, and the Northern Uganda Social Action Fund, among others. In the context of a crisis resulting in an economic shock to the poorest and most vulnerable, social assistance serves as a means of consumption smoothing and income insurance while preventing the sale of household assets as a coping strategy.<sup>26</sup> The use of a public works type intervention provides the added value of generating short to medium term productive employment opportunities during periods of low employment and providing support when incomes are at their lowest. These programs can be scaled up and down, with benefits easily increased or decreased by tailoring the number of workdays provided to the intensity of the shock and needs of poor and vulnerable households. The nature of the Rohingya crisis has resulted in significant environmental impact in Cox's Bazar, on top of the economic and social impacts, and the work provided for the upkeep and

<sup>23</sup> Project Appraisal Document. EMRCR Project. The World Bank, 2019.

<sup>24</sup> Thome, Karen et al. The Local Economy Impacts of Social Cash Transfers, a comparative analysis of seven sub-Saharan Countries. 2016.

<sup>25</sup> Taylor, J. E., Filipowski, M. J., Alloush, M., Gupta, A., Valdes, R. I. R., & Gonzalez-Estrada, E. (2016). Economic impact of refugees. Proceedings of the National Academy of Sciences, 113(27), 7449-7453.

<sup>26</sup> McCord, Anna. Public Works and Resilient Food Systems. Overseas Development Institute, 2013.



maintenance of community assets would serve to mitigate the environmental impacts while building physical resilience to further shocks.

49. Crisis responsiveness requires advanced fiscal planning and appropriate financial instruments to release additional resources during times of need and for the rapid mobilization and delivery of benefits. Information systems to help identify poor and vulnerable households in need of support are critical. Productive employment opportunities for host communities would be provided using the country's flagship program, the EGPP, which provides short-term work opportunities to poor households during agricultural lean seasons. Under the proposed Additional Financing, the program would be adapted to address the unique needs in Cox's Bazar. Given that the program has a limited set of permissible schemes to be undertaken during a prescribed timeframe, a new adaptive program approach would need to consider a wider range of activities and be flexible enough to provide work whenever and wherever needed. The EGPP's national beneficiary roster is in the process of being digitized in the MoDMR/DDM safety net program MIS, and its integration with the NHD is being finalized. This information system would allow for the rapid scale-up of a shock-responsive "window" of the program (i.e. EGPP+) when appropriate rules for its implementation are adopted.
50. As a significant number of beneficiaries in the local communities would receive support, service delivery capacity needs to be significantly enhanced. Rapid increase in coverage will require additional implementation support for beneficiary outreach, intake, enrolment, works scheme supervision, work attendance verification, payment delivery, and other program functions. This would entail increasing MoDMR/DDM capacity to monitor and supervise the program, as well as effectively coordinate with other government ministries/agencies and development partners to ensure there is no duplication in efforts.
51. Program implementation would also require specific arrangements with (i) BBS to access the NHD for identifying poverty-affected and vulnerable locations/persons who may receive benefits, (ii) UN/international/local agencies/organizations to enhance monitoring of EGPP+ subprojects and manage grievances, and (iii) banks and/or mobile financial service (MFS) providers to ensure secure wage payments through root level agent networks increasing convenience for beneficiaries.
52. The community services/works program for the Rohingya population under the EMRCR Project provides "quasi-cash" benefits which limit the purchase of necessary household items to "e-voucher shops" using a multi-wallet smartcard, both of which are managed by WFP. Current Government policy restricts the use of cash in the Rohingya camps and thus the ability to purchase a wider range of goods than what is provided in the e-voucher shops, using the SCOPE card, is necessary. In this regard, the SCOPE card now provides the ability to access two additional streams of benefits – firstly, the ability to purchase LPG refills, and secondly, the ability to purchase fresh agricultural products from host community farmers.

### **C. Financial Management**

53. The financial management risk is considered substantial. Risk factors pertaining to planning, budgeting, accounting, internal control, funds flow, financial reporting and auditing systems are a combination of both systemic (i.e. affecting all ministries/agencies) as well as specific to MoDMR and DDM. These include the absence of internal audit functions<sup>27</sup> (MoDMR) and limited financial management capacity, which is

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<sup>27</sup> As required by the Internal Control Manual issued by the Ministry of Finance, 2005.





prevalent across various institutions; and limited use of the Government's integrated budgeting and accounting system (iBAS++) to document Project expenditures and the pending resolution of audit observations under the original Project, which is specific to MoDMR and DDM. However, there are no outstanding audits pertaining to any operations implemented by MoDMR and DDM.

54. The proposed Additional Financing would be subject to the country financing parameters provided in the Country Partnership Framework for Bangladesh (FY 2016 – FY 2022). Accordingly, Bank financing will not apply to specified categories of recurrent expenditure such as workshop allowances, sitting allowances, cash per diems, honoraria, and fuel. The purchase of vehicles would also not be permissible. The total amount of taxes to be financed out of the proposed Additional Financing will not exceed 15 percent.
55. Under Component 1 of the Original Financing (IDA 5281-BD) and the first Additional Financing (IDA 6137-BD), World Bank financing partially reimburses the Government's expenditure on the EGPP during the period FY 2014 to FY 2019.<sup>28</sup> Components 2 and 3 follow a standard advance and reimbursement model, and allow direct payments, as these provided inputs towards the achievement of results under Component 1 which triggered disbursement of the associated amounts.
56. The fund flow for Component 4 will follow the same modality as Component 1 (partial reimbursement of the shock-responsive EGPP+ window) with some parametric adjustments:
  - (a) *Geographical Boundary*: Only expenditures made in Cox's Bazar district would be eligible.
  - (b) *Eligible Items*: Stipends, in addition to beneficiary wages, would also be eligible.
  - (c) *Financing Limit*: Considering Government expenditure for EGPP in Cox's Bazar in FY 2020, medium-term estimates, and the expected annual outlay from IDA18 RSW grant resources, an annual budget of approximately US\$30 million can be expected from FY 2021 to FY 2023 for the EGPP+. The World Bank will finance all wages and stipends and the Government will finance all other costs entirely on a parallel basis. The share of expenses, between the World Bank and the Government, for the EGPP+ would be approximately 86 percent and 14 percent respectively.
  - (d) *Disbursement Conditions*: No DLIs will be associated with Component 4 and withdrawals will be made using standard reimbursement procedures.
57. The fund flow from Component 5 will replicate the established arrangements under the EMRCR Project, where pre-agreed performance standards and financial reporting obligations are included in the contract with WFP. Eligible expenditures include wages, stipends, goods, works, non-consulting services, consulting services, training and operating costs under contracts with UN Agencies. Since Component 5 will complement the EMRCR Project under a parallel contract with WFP, implementation would ensure that both sources of financing are not paying the same beneficiaries or financing the same subproject implementation by segregating activities at the subproject and/or geographic level (i.e. neighborhoods or camps). The precise means of delineation will be specified in the EMRCR Project Operational Manual.
58. For the purpose of Components 2 and 3, each implementing agency will retain the Designated Accounts

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<sup>28</sup> The financing limit for Category 1 (i.e. Component 1) defined in the Financing Agreements for IDA 5281-BD and IDA 6137-BD are 80 percent and 60 percent respectively. The actual reimbursement during FY 2014 to FY 2018 was approximately 55 percent on a cumulative basis.



opened under the Original Financing (IDA 5281-BD) and first Additional Financing (IDA 6137-BD). As Component 2 will obtain a new allocation under the proposed Additional Financing, a separate Designated Account will be required with the same reporting and auditing obligations as the two existing Credits.

59. For reporting and disbursement purposes, Components 4 would use an interim unaudited financial report (IUFRR) based modality, while Component 5 would use IUFRRs for reporting only as disbursements would be made via special commitments. Further investments in financial management capacity would be made, and MoDMR and DDM would work with the Office of the Controller General of Accounts (CGA) to improve the usage of iBAS++ in documenting Project expenditures and supporting the preparation of IUFRRs using country systems. Audit obligations would follow the provisions applicable to the original Project.

#### **D. Procurement**

60. All procurement would be undertaken in accordance with the Procurement Regulations for Investment Project Financing (IPF) Borrowers (dated July 1, 2016; revised November 2017 and August 2018). Direct selection arrangements would apply for UN agencies. A simplified Project Procurement Strategy for Development (PPSD) has been developed by DDM and MoDMR. The PSD provides details about the nature of procurement, capacity of procuring entities, prevailing market conditions, activity level risks, among other relevant factors, and elaborates procurement arrangements and risk mitigation measures. Procurement Plans for the entire Project period have been prepared as an output of the PSD.
61. The procurement risk is considered moderate. Component 5 will comprise a single large value UN contract administered by MoDMR. This contract will be executed by WFP in parallel with another contract under the EMRCR Project. The risk in this regard is the possibility of duplication if both WFP contracts finance the same community subprojects for the DRP.
62. Risk mitigation measures which are, or will be put, in place include (a) appointment of experienced procurement consultants for fiduciary oversight, and inclusion of independent technical experts in bid/proposal evaluation committees, with terms of reference acceptable to the World Bank; (b) conducting regular capacity building workshops for Project staff, supported by the World Bank, on integrity standards, conflict of interest matters, red flags for fraud and corruption, consequences of ethical breaches, and risk management measures; (c) requirement for pre-bid/proposal meetings to inform potential bidders/proposers of conflict of interest disclosure requirements (including beneficial ownership) and consequences of fraudulent and corrupt practices; and (d) enhanced reviews of contract implementation conducted by the World Bank.
63. A number of consulting/non-consulting service contracts would be required (under Component 2) in implementing the shock-responsive EGPP+, under Component 4, considering its anticipated scale:
- (a) UN/international/local agencies/organizations would provide implementation support for specific program functions, to be defined in the EGPP+ implementation guidelines.
  - (b) A single, or a limited number of banks and/or MFS providers would be responsible for opening accounts for beneficiaries and ensuring disbursement of cash through their branches and agent networks. Selection of banks and/or MFS providers would be based on criteria to be included in the EGPP+ implementation guidelines.



- (c) A research/survey firm would support MoDMR/DDM with spot checks of program performance and enhance monitoring and evaluation capacity, as specified in the EGPP+ implementation guidelines.

### **E. Social (including Safeguards)**

64. The ISCG defines social cohesion as the peaceful coexistence of communities within the camps as well as between the host community and the DRP. Approximately 25 percent of Rohingya households have regular interactions with the host community, all of whom describe this relationship as “good” or “very good”. However, between 2018 and 2019, overall Rohingya perceptions on harmony between themselves and host communities have become more negative, while views among the latter have improved. Members of both communities who do not think the relationship between them is harmonious name competition for employment and livelihoods as the main sources of tension.<sup>29</sup>
65. One of the three strategic objectives of the JRP 2019 is to foster social cohesion through four actions: (i) designing programs in ways to mitigate tensions and promote positive relations, (ii) informing programming and coordination with conflict sensitivity, (iii) undertaking comprehensive multi-sector assessments to better target assistance, and (iv) implementing quick impact projects in host communities. The proposed Additional Financing aligns to this strategic objective since the programs for the host and Rohingya communities will provide income earning opportunities in a similar manner, addressing one of the sources of social tension. Furthermore, the proposed Additional Financing would leverage the ongoing Safe Access to Fuel and Energy (SAFE) and SAFE+<sup>30</sup> projects administered by UN agencies, which provide access to clean cooking fuel and are expected to address air pollution and deforestation, and by extension conflict between communities. It would do so by directing a portion of benefits towards the purchase of LPG refills. Finally, the community marketplace established by WFP would give Rohingya households the ability to use benefits to purchase fresh agricultural products from local farmers, providing a steady source of income for host community farmers and promoting positive interactions between both communities.
66. No new social safeguards policies are triggered and there are no changes to the safeguards Category or arrangements on account of social impacts. However, due to an expected increase in the number and range of community level schemes using a shock-responsive EGPP+ approach to benefit host communities under Component 4, and the proposed intervention under Component 5, a new (combined) Environmental and Social Management Framework (ESMF) has been prepared. Requirements regarding the host community intervention provide a clear understanding of EGPP’s internal boundaries (between the national program and the shock-responsive EGPP+ implemented in Cox’s Bazar) and arrangements for interventions for the DRP are similar to those provided in the ESMF for the EMRCR Project. The original Social Management Framework (SMF) remains relevant for programs supported under Component 1 until fully disbursed.

### **F. Environment (including Safeguards)**

67. EGPP+ would scale-up and broaden the range of activities to include activities necessitated by gradual climate change and environmental degradation resulting from forced displacement, thereby contributing to disaster

<sup>29</sup> JRP for Rohingya Humanitarian Crisis, 2019: Midterm Review. ISCG, 2019.

<sup>30</sup> UNHCR’s Safe Approaches to Fuel and Energy, launched in 2014, offers guidance on innovative approaches and technologies, including clean or fuel-efficient cookers, alternative and sustainable fuels, and solar-powered lighting. Jointly implemented by IOM, FAO and WFP, the project aims to provide 25,000 host and 100,000 Rohingya households with LPG stoves and refills.



resilience and mitigating negative climate impacts. EGPP would also adopt a wider time span (beyond the two annual agricultural lean seasons) to respond to crises and urgent community needs. The inclusion of community services would also help enhance the resilience of vulnerable groups which might not have been able to participate in the works (women, PWDs and the elderly). As the same types of works and services will be supported under Component 5, the intervention's adaptation and mitigation features are expected to have the same positive impacts. The activities focused on climate and disaster-resilience, such as tree and vegetation plantation, and the ability for DRP to purchase LPG would support the deforestation containment, promote afforestation and land rehabilitation, and address localized air pollution.

68. No new environmental safeguards policies are triggered as the proposed Additional Financing does not introduce significantly different activities to the Project, and there are no changes to the safeguards Category or arrangements on account of environmental impacts. The (combined) ESMF for the proposed Additional Financing will ensure adherence with environmental safeguard policies in the specific regional and post-shock context. In the same manner as the original SMF, the original EMF will remain relevant for the original safety net programs supported by the Project under Component 1 until fully disbursed.

## G. Gender

69. In addition to improving women's consumption and living conditions, enhancing women's access to and control over resources has important contributions to development outcomes, including women's agency and children's nutrition and education. Female labor force participation is very low in Bangladesh, despite an increase from 26 percent in 2003 to 36 percent in 2016, at less than half of that of men (82 percent). As a result, women represent only about 26 percent of the labor force.<sup>31</sup> There is also significant inequality in wages, including in wages for agricultural work – which provide the main source of income for EGPP beneficiaries. In Cox's Bazar district, there is a marked disparity between women's and men's earning potential – where employers do not provide any meals during the work day, men earn 16 percent more than women and this scenario is even more acute where three meals are provided during the day with men earning 46 percent more than women.<sup>32</sup> Women's ability to generate income is constrained by multiple factors, such as limited control and ownership of productive assets, as well as their limited access to financial services.
70. The EGPP, and by extension the shock-responsive EGPP+, provides an opportunity to address these gaps in labor force participation, earnings and access to financial services. Indeed, EGPP provides a one-third quota for female participation, which would be enhanced to 40 percent under EGPP+, above the current share in the labor force. The program will also provide work on an ongoing basis, irrespective of seasonality, enabling a longer-term engagement and the possibility of higher earnings, without the need to commute far from home. Wages and benefits paid by EGPP and EGPP+ are not differentiated by gender, thereby contributing to closing the gap in earnings. Finally, wages would be paid using formal financial channels, contributing to providing women with the potential to save and greater control over household expenditures.
71. An adaptation of the EGPP+, which is expected to significantly contribute to reducing the gap in women's participation, is the expanded menu of subprojects. The inclusion of community services (such as awareness

<sup>31</sup> Voices to Choices: Bangladesh's Journey in Women's Economic Empowerment. World Bank, 2019.

<sup>32</sup> Yearbook of Agricultural Statistics. BBS, 2018.



generation, care, cleaning, etc.) will expand access for women (as well as PWD and the elderly) who may not be able to work on public works because of binding social norms or physical limitations. Service are more in line with social norms, offer more flexibility in working schedules, and reduce the potential for violence during commute to and from sites. The delivery of, or participation in, awareness-raising information sessions can furthermore contribute to increased social capital and agency. The expanded options can also provide activities during which women can work separately, thus limiting potential sexual exploitation or abuse. In order to monitor women's participation and earnings, and document the reduction in related gender gaps, the MoDMR/DDM safety net program MIS would track all data by gender.

72. Similar designs are in place for the Rohingya community, with even higher targets for female representation among beneficiaries, to reflect the higher representation in the camps – i.e. approximately 52 percent of the DRP comprises women and girls.<sup>33</sup> To reflect this greater share, the Rohingya intervention is expected to focus up to two-thirds of its financing towards community services subprojects which would primarily serve women (with the remaining one-third towards community works subprojects).

#### H. Gender-Based Violence

73. As of 2015, 73 percent of ever-married women in Bangladesh had experienced some form of violence.<sup>34</sup> Considering economic and social costs, GBV eroded 2.1 percent of the GDP of the country in 2013.<sup>35</sup> The high incidence of GBV is largely due to deep-rooted patriarchal norms which tend to be greater in certain conservative geographical pockets, and Cox's Bazar district is located in one such region of the country. Limited social awareness and conservative norms discourage open discussions on GBV and restrain survivors' access to the limited services that are available. High levels of poverty also limit the options of the survivors of intimate partner violence to seek support or to return to their family homes. High levels of GBV are also reported by UN agencies in the Rohingya camps. Living conditions are congested and most women stay in their homes due to conservative social norms that limit their roles in the public sphere as well as to avoid GBV which takes various forms (assault, trafficking, forced labor, etc.).
74. Consultations carried out by MoDMR and DDM during the preparation process for the proposed Additional Financing with beneficiaries, local government, community organizations, district administration, RRRC, and UNHCR, among others, did not highlight GBV risks in relation to the nationally-implemented EGPP and showed that stakeholders are aware of consultative and grievance redress procedures. The World Bank GBV risk assessment tool, which assesses the GBV risk rating only on account of civil works finds the proposed Additional Financing to be of low risk due to the nature of the EGPP+ and Rohingya community services/works. Indeed, subprojects will not entail any infrastructure construction and will rely on local labor (i.e. program beneficiaries) to carry out small-scale community-level works and are thus not expected to result in any labor influx. However, the team has assessed risks in Cox's Bazar to be substantial, in light of the prevailing gender norms, social tensions, and conditions in the camps.
75. Because of the focus on other operations on making sure GBV response services are available to the beneficiaries of this Additional Financing (GBV services and referral pathways include those established by

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<sup>33</sup> Gender Reflections: Two Years of the Rohingya Refugee Response. ISCG, September 2019.

<sup>34</sup> Report on Violence Against Women Survey. BBS and UNFPA, 2015.

<sup>35</sup> Siddique, Kaniz. Domestic Violence Against Women, Cost to the Nation. CARE Bangladesh, 2011.



the EMRCR Project in the Rohingya camps, as well as the services to be supported by the planned Project addressing health and gender-based violence and those implemented by other organizations within camps or among host communities), the proposed Additional Financing will focus on limiting risks as a direct result of program activities (by ensuring design features minimize risks) as well as promoting access to these services. Grievance reports related to SEA and GBV would be managed using the existing grievance redress mechanisms applicable to the host and Rohingya communities (as well as gender-friendly spaces in the camps). Protocols to address such issues are, or will be, elaborated in the EGPP+ implementation guidelines and the EMRCR Project Operational Manual. These protocols adopt a survivor-centered approach, ensuring survivors can access relevant services in their localities while respecting their choices and confidentiality.

## **I. Citizen Engagement**

76. Citizen<sup>36</sup> engagement and community participation continue to be essential pillars of the Project, through strategic communication and outreach, citizen-led subproject supervision, and grievance redress mechanisms embedded in their delivery modalities. Strategic communication and outreach inform communities of program benefits, eligibility criteria, application points, grievance redress procedures, etc. Upon selection into programs, new beneficiaries go through an onboarding process on rules, rights and obligations. Subproject supervision is implemented to assure community ownership and participation. The grievance redress mechanism ensures that submission windows are accessible, cases received are recorded, resolutions are communicated to the complainant, and cases are monitored through completion.
77. EGPP+ would use EGPP's grievance redress mechanism, as described in the EGPP Guidelines. At the upazila level, the Upazila Nirbahi Officer (UNO) serves as the Grievance Redress Officer (GRO), with the Deputy Commissioner (DC) and Director General, DDM, fulfilling the same role at the district and central levels, respectively. The GRO is responsible for verifying and providing direction to investigations and redressal activities. The appellate authority for grievances filed at each administrative level would be the GRO at the immediate higher administrative level with the Senior Secretary (or Secretary as the case may be), MoDMR, acting as the final appellate authority at the national level for grievance redress. Data generated by classifying petitions will be analyzed on a continuous basis in the MoDMR/DDM MIS to identify issues that require management attention and redesigning of redress processes.
78. The grievance redress mechanism for the Rohingya community services/works program set up for the EMRCR Project will be used. The DRP volunteer network will serve as the field-level interface for complainants to file grievances both in writing and verbally. The concerned Camp-in-Charges (CiCs) will be responsible for registering grievance cases and directing the investigation and redressal activities. In accordance to the resolution, the grievance cases will be referred to the volunteer network channel or directly to the complainant. If cases require the intervention of a higher authority, these would be remitted to the RRRC who would then be responsible for their resolution.

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<sup>36</sup> The term "citizen" is not used in any legal manner but is understood in the broad sense of referring to all people in a society or country in an inclusive and non-discriminatory way. Strategic Framework for Mainstreaming Citizen Engagement in World Bank Operations. World Bank, 2014.



## **V. WORLD BANK GRIEVANCE REDRESS**

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



**VI SUMMARY TABLE OF CHANGES**

	Changed	Not Changed
Implementing Agency	✓	
Project's Development Objectives	✓	
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Reallocation between Disbursement Categories	✓	
Disbursements Arrangements	✓	
Legal Covenants	✓	
Cancellations Proposed		✓
Safeguard Policies Triggered		✓
EA category		✓
Financial Management		✓
Procurement		✓

**VII DETAILED CHANGE(S)**

**IMPLEMENTING AGENCY**

Implementing Agency Name	Type	Action
Department of Disaster Management	Line Ministry/Ministerial Department	No Change
Bangladesh Bureau of Statistics	Line Ministry/Ministerial Department	No Change
Ministry of Disaster Management & Relief	Line Ministry/Ministerial Department	New





**PROJECT DEVELOPMENT OBJECTIVE**

**Current PDO**

The Objective of the Project is to improve the equity, efficiency and transparency of major Safety Net Programs to benefit the poorest households.

**Proposed New PDO**

The Project Development Objective is to improve the equity, efficiency, transparency and shock-responsiveness of major safety net programs to benefit the poorest and most vulnerable households.

**COMPONENTS**

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Support to MoDMR Safety Net Programs	592.76	Revised	Support to MoDMR Safety Net Programs	587.76
Strengthening of MoDMR Program Administration and Transparency	31.96	Revised	Strengthening of MoDMR Program Administration and Shock-Responsiveness	41.96
Development of the National Household Database	86.28	Revised	Development of the National Household Database	86.28
	0.00	New	Strengthening Community Resilience with EGPP+	65.00
	0.00	New	Strengthening Community Resilience for the DRP	30.00
<b>TOTAL</b>	<b>711.00</b>			<b>811.00</b>

**LOAN CLOSING DATE(S)**

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-52810	Effective	31-Dec-2017	30-Jun-2021	31-Dec-2022	30-Apr-2023
IDA-61370	Effective	30-Jun-2019	30-Jun-2021	31-Dec-2022	30-Apr-2023

**REALLOCATION BETWEEN DISBURSEMENT CATEGORIES**



Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
			Current	Proposed
IDA-52810-001   Currency: XDR				
iLap Category Sequence No: 1		Current Expenditure Category: Beneficiary Wages (EGPP & TR) [under Part 1]		
285,000,000.00	284,928,449.24	285,000,000.00	80.00	80.00
iLap Category Sequence No: 2		Current Expenditure Category: Goods, Works, NCS, CS, Training, OC [under Part 2]		
19,900,000.00	12,682,302.03	19,900,000.00	100.00	100.00
iLap Category Sequence No: 3		Current Expenditure Category: Goods, Works, NCS, CS, Training, OC [under Part 3]		
26,500,000.00	26,057,796.97	26,500,000.00	100.00	100.00
<b>Total</b>	<b>331,400,000.00</b>	<b>323,668,548.24</b>	<b>331,400,000.00</b>	
IDA-61370-001   Currency: XDR				
iLap Category Sequence No: 1		Current Expenditure Category: Beneficiary Wages (EGPP) [under Part 1]		
136,400,000.00	90,656,705.56	133,400,000.00	60.00	60.00
iLap Category Sequence No: 2		Current Expenditure Category: Goods, Works, NCS, CS, Training, OC [under Part 2]		
2,850,000.00	0.00	5,850,000.00	100.00	100.00
iLap Category Sequence No: 3		Current Expenditure Category: Goods, Works, NCS, CS, Training, OC [under Part 3]		
34,850,000.00	22,814,319.71	34,850,000.00	100.00	100.00
<b>Total</b>	<b>174,100,000.00</b>	<b>113,471,025.27</b>	<b>174,100,000.00</b>	
<b>DISBURSEMENT ARRANGEMENTS</b>				
Change in Disbursement Arrangements				
Yes				

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

Fiscal Year	Annual	Cumulative
2013	0.00	0.00
2014	25,192,996.02	25,192,996.02
2015	24,240,736.08	49,433,732.10
2016	101,419,265.83	150,852,997.93
2017	159,018,209.04	309,871,206.97
2018	125,544,087.68	435,415,294.65
2019	191,345,957.03	626,761,251.68
2020	64,238,748.32	691,000,000.00
2021	35,000,000.00	726,000,000.00
2022	55,000,000.00	781,000,000.00
2023	30,000,000.00	811,000,000.00

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

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



**LEGAL COVENANTS – Safety Net Systems for the Poorest (P132634)**

Loan/Credit/TF	Description	Status	Action
IDA-52810	Finance Agreement: Project Steering Committees / Technical Project Review Committees   Description: The Government of Bangladesh, through the MoDMR and SID, shall establish within three months of project effectiveness and maintain throughout implementation of the Project, Project Steering Committees to provide oversight, and Technical Project Review Committees to support implementation, by DDM and BBS with membership, functions, responsibilities and resources satisfactory to the Association.   Frequency: CONTINUOUS	Complied with	No Change
IDA-52810	Finance Agreement: Project Management Units (PMUs)   Description: The Government of Bangladesh, through the MoDMR and the SID, shall establish within three months of project effectiveness and maintain throughout implementation of the Project, PMUs at DDM and BBS, each of which shall have a Project Director whose level of seniority is at least that of Joint Secretary, with membership, functions, responsibilities and resources satisfactory to the Association.   Frequency: CONTINUOUS	Complied with	No Change
IDA-52810	Finance Agreement: MoDMR Operations Manuals (Workfare Programs & Humanitarian Assistance Programs)   Description: The Government of Bangladesh, through the MoDMR, shall ensure that the Project is carried out in accordance with (i) the Operations Manual for Workfare Programs, and (ii) the Operations Manual for Humanitarian Assistance Programs, both of which should be satisfactory to the Association.   Frequency: CONTINUOUS	After delay complied with	No Change



IDA-52810	Finance Agreement: Bangladesh Poverty Database (BPD)   Description: The Government of Bangladesh, through the SID, shall complete the Poverty Score Card census, and develop and manage the NHD in accordance with the NHD Operations Manual that is satisfactory to the Association.   Frequency: CONTINUOUS	Complied with	No Change
IDA-52810	Finance Agreement: Compliance with Governance and Accountability Action Plan (GAAP)   Description: The Government of Bangladesh, through the MoDMR and SID, shall carry out the Project in accordance with the GAAP.   Frequency: CONTINUOUS	Partially complied with	Marked for Deletion
IDA-52810	Finance Agreement: Compliance with Environmental and Social Management Frameworks (EMF and SMF)   Description: The Government of Bangladesh, through the MoDMR, shall carry out the Project in accordance with the EMF, the SMF and each relevant Safeguards Assessment and Plan.   Frequency: CONTINUOUS	Partially complied with	No Change
IDA-61370	Finance Agreement :Schedule 2, Section I.1   Description :The Recipient to carry out the Project in accordance with the covenants set forth in Section 1 of Schedule 2 to the Original Financing Agreement.   Frequency :CONTINUOUS	Complied with	No Change
IDA-61370	Finance Agreement :Schedule 2, Section I.2   Description :The Recipient to ensure that the list of expenditures mentioned in this section, are financed exclusively out of its own resources, and not out of the proceeds of the Credit.   Frequency :CONTINUOUS	Complied with	No Change

**LEGAL COVENANTS – Safety Net Systems for the Poorest (AF) (IDA18 RSW) (P171086)**

**Sections and Description**

The Recipient, through the Department of Disaster Management, shall, by no later than two months after the Effectiveness Date, enter into and maintain throughout the Project implementation period, a Memorandum of Understanding with the Bangladesh Bureau of Statistics, setting out arrangements for access to relevant data from



the National Household Database, in form and substance acceptable to the Association.

The Recipient, through the Department of Disaster Management, shall, appoint and maintain throughout the Project implementation period, an independent entity or entities, with qualifications, experience and terms of reference acceptable to the Association, for the purpose of providing implementation support to activities under Part 4 of the Project in accordance with the Implementation Guidelines for the "Employment Generation Program for the Poorest Plus (EGPP+)".

The Recipient, through the Department of Disaster Management, shall, appoint and maintain throughout the Project implementation period, an independent entity or entities, with qualifications, experience and terms of reference acceptable to the Association, for the purpose of carrying out verification processes to ascertain whether activities under Part 4 of the Project are in accordance with the Implementation Guidelines for the "Employment Generation Program for the Poorest Plus (EGPP+)".

The Recipient shall ensure that the Project excludes any activities related to repatriation or relocation of DRP.

**Conditions**

Type	Description
Disbursement	No withdrawals shall be made under Component 4 until the Recipient has prepared and adopted Implementation Guidelines for the "Employment Generation Program for the Poorest Plus (EGPP+)", in form and substance satisfactory to the Association.
Disbursement	No withdrawals shall be made under Component 5 until the Recipient has adopted the existing Project Operational Manual of the Emergency Multi-Sector Rohingya Crisis Response Project (D419-BD).
Effectiveness	Effectiveness is conditional upon the Association being satisfied that the Recipient has an adequate refugee protection framework.
Effectiveness	Effectiveness is conditional upon the Association being satisfied that the Recipient has prepared, adopted and disclosed an Environmental and Social Management Framework for the purpose of Component 4.
Effectiveness	Effectiveness is conditional upon the Association being satisfied that the Recipient has prepared, adopted and disclosed an Environmental and Social Management Framework for the purpose of Component 5.



**VIII. RESULTS FRAMEWORK AND MONITORING**

**Results Framework**

COUNTRY: Bangladesh

Safety Net Systems for the Poorest (AF) (IDA18 RSW)

**Project Development Objective(s)**

The Project Development Objective is to improve the equity, efficiency, transparency and shock-responsiveness of major safety net programs to benefit the poorest and most vulnerable households.

**Project Development Objective Indicators by Objectives/ Outcomes**

Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<b>Program Coverage</b>							
Direct project beneficiaries (Number)		11,000,000.00					12,000,000.00
<i>Action: This indicator has been Revised</i>							
Female beneficiaries (Percentage)		27.00					30.00
<i>Action: This indicator has been Revised</i>							
Person-Days of employment generated and financed by cash wage payments under EGPP (Days)		59,000,000.00					75,000,000.00



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<b>Action: This indicator has been Revised</b>							
Beneficiaries of EGPP (Number)		967,027.00					990,000.00
<b>Action: This indicator is New</b>							
Female beneficiaries (Percentage)		33.00					33.00
<b>Action: This indicator is New</b>							
Beneficiaries of EGPP+ (Number)		0.00					40,000.00
<b>Action: This indicator is New</b>							
Households supported by the participation of women (Percentage)		0.00					40.00
<b>Action: This indicator is New</b>							
Beneficiaries of Rohingya community services/works (Number)		0.00					85,000.00
<b>Action: This indicator is New</b>							
Households supported by the participation of women (Percentage)		0.00					60.00





Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<b>Action: This indicator is New</b>							
<b>Improved Equity</b>							
Beneficiaries in bottom expenditure quintile: EGPP (Percentage)		49.00					60.00
<b>Action: This indicator has been Revised</b>							
Beneficiaries in bottom expenditure quintile: FFW/WFM (Percentage)		34.99					41.00
<b>Action: This indicator has been Revised</b>							
Beneficiaries in bottom expenditure quintile: TR (Percentage)		34.00					44.00
<b>Action: This indicator has been Revised</b>							
Beneficiaries in bottom expenditure quintile: VGF (Percentage)		37.00					46.00
<b>Action: This indicator has been Revised</b>							
Beneficiaries in bottom expenditure quintile: GR (Percentage)		31.00					46.00
<b>Action: This indicator has been Revised</b>							



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<b>Improved Efficiency</b>							
Program benefits received by beneficiaries in bottom expenditure quintile: EGPP (Percentage)		42.00					51.00
<i>Action: This indicator has been Revised</i>							
Program benefits received by beneficiaries in bottom expenditure quintile: FFW/WFM (Percentage)		32.83					38.00
<i>Action: This indicator has been Revised</i>							
Program benefits received by beneficiaries in bottom expenditure quintile: TR (Percentage)		18.00					42.00
<i>Action: This indicator has been Revised</i>							
Program benefits received by beneficiaries in bottom expenditure quintile: VGF (Percentage)		23.00					46.00
<i>Action: This indicator has been Revised</i>							
Program benefits received by beneficiaries in bottom expenditure quintile: GR (Percentage)		20.00					39.00



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<i>Action: This indicator has been Revised</i>							
<b>Improved Transparency</b>							
Beneficiaries aware of program rules: EGPP (Percentage)		0.00	0.00	30.00	50.00	70.00	70.00
<i>Action: This indicator has been Revised</i>							
Beneficiaries aware of program rules: FFW/WFM (Percentage)		0.00	0.00	30.00	50.00	70.00	70.00
<i>Action: This indicator has been Revised</i>							
Beneficiaries aware of program rules: TR (Percentage)		0.00	0.00	30.00	50.00	70.00	70.00
<i>Action: This indicator has been Revised</i>							
Beneficiaries aware of program rules: VGF (Percentage)		0.00	0.00	30.00	50.00	70.00	70.00
<i>Action: This indicator has been Revised</i>							
Beneficiaries aware of program rules: GR (Percentage)		0.00	0.00	30.00	50.00	70.00	70.00
<i>Action: This indicator has been Revised</i>							
<b>Improved Shock-Responsiveness (Action: This Objective is New)</b>							
Development of a shock-responsive program window: EGPP (Text)		EGPP does not have shock responsive program features.					Shock responsive program features incorporated into EGPP.



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<i>Action: This indicator is New</i>							

**Intermediate Results Indicators by Components**

Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<b>Support to MoDMR Safety Net Programs</b>								
Increase pro-poor geographic targeting of program resources (Yes/No)		No	Yes	Yes	Yes	Yes	Yes	Yes
<i>Action: This indicator has been Revised</i>								
Increase use of program household eligibility criteria and the NHD (Yes/No)	DLI 1	No	Yes	Yes	Yes	Yes	Yes	Yes
<i>Action: This indicator has been Revised</i>								
Increase use of efficient administrative systems (Yes/No)	DLI 2	No	Yes		Yes	Yes	Yes	Yes
<i>Action: This indicator has been Revised</i>								
Implement efficient payment system for cash wages (Yes/No)	DLI 3	No	Yes	Yes	Yes	Yes	Yes	Yes
<i>Action: This indicator has been Revised</i>								



Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<b>Strengthening of MoDMR Program Administration &amp; Shock-Responsiveness (Action: This Component has been Revised)</b>								
Availability of Information on MoDMR/DDM websites (Yes/No)	No	No	No	No	Yes	Yes	Yes	Yes
<b>Action: This indicator has been Revised</b>								
Establishment of Data Center and Disaster Recovery Sites (Yes/No)	No	No	No	No	No	No	Yes	Yes
<b>Action: This indicator has been Revised</b>								
Personnel trained on MIS usage (Number)	0.00	1,500.00						3,000.00
<b>Action: This indicator has been Revised</b>								
<b>Development of the National Household Database (Action: This Component has been Revised)</b>								
Upazilas with NHD Operators hired and trained (Percentage)	0.00	0.00	0.00	0.00	0.00	24.00	69.00	100.00
<b>Action: This indicator has been Revised</b>								
Upazilas where data collection for the NHD is completed (Percentage)	0.00	0.00	0.00	0.00	0.00	24.00	69.00	100.00
<b>Action: This indicator has been Revised</b>								
Total Household Population registered in the NHD (Percentage)	0.00	0.00	0.00	0.00	0.00	0.00	69.00	100.00



Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<b>Action: This indicator has been Revised</b>								
NHD data sharing agreements signed (Number)		1.00						4.00
<b>Action: This indicator is New</b>								
<b>Strengthening Community Resilience with EGPP+ (Action: This Component is New)</b>								
Workdays provided under EGPP+ (Days)		0.00						13,200,000.00
<b>Action: This indicator is New</b>								
Female beneficiaries (Percentage)		0.00						40.00
<b>Action: This indicator is New</b>								
Beneficiaries satisfied with service delivery (Text)		N/A						70%
<b>Action: This indicator is New</b>								
<b>Strengthening Community Resilience for the DRP (Action: This Component is New)</b>								
Workdays provided under Rohingya community services/works (Days)		0.00						5,040,000.00
<b>Action: This indicator is New</b>								
Female beneficiaries (Percentage)		0.00						60.00



Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<b>Action: This indicator is New</b>								
Beneficiaries with LPG purchase capacity (Number)		0.00						40,000.00
<b>Action: This indicator is New</b>								
Female beneficiaries (Percentage)		0.00						60.00
<b>Action: This indicator is New</b>								
Beneficiaries with community marketplace purchase capacity (Number)		0.00						20,000.00
<b>Action: This indicator is New</b>								
Female beneficiaries (Percentage)		0.00						60.00
<b>Action: This indicator is New</b>								
Beneficiaries satisfied with service delivery (Text)		N/A						70%
<b>Action: This indicator is New</b>								

**Monitoring & Evaluation Plan: PDO Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Direct project beneficiaries	-	Annual (FY 2014 to FY 2019).	Administrative reports; MoDMR/DDM MIS.	Documentation review; database query.	DDM.
Female beneficiaries	-	Annual (FY 2014 to FY 2019).	Administrative reports; MoDMR/DDM MIS.	Documentation review; database query.	DDM.
Person-Days of employment generated and financed by cash wage payments under EGPP		DDM	Expenditure Reports (Administrative Data); MIS Reports	Documentation review; database query.	Year 1 to Year 4
Beneficiaries of EGPP	Number of unique beneficiaries enrolled in the EGPP nationally. This would indicate the total reach of the program including those covered as part of the shock-responsive EGPP+ window.	Semi-Annual (FY 2021 to FY 2023).	MoDMR/DDM MIS; beneficiary households.	Database query; location visit.	DDM.
Female beneficiaries	Female beneficiaries.	Semi-Annual (FY 2021 to FY 2023).	MoDMR/DDM MIS; beneficiary households.	Database query; location visit.	DDM.





Beneficiaries of EGPP+	Number of unique beneficiaries enrolled in this program window. This would indicate the total reach of the program among host community households in Cox’s Bazar.	Semi-Annual (FY 2021 to FY 2023).	MoDMR/DDM MIS; beneficiary households.	Database query; location visit; spot checks.	DDM.
Households supported by the participation of women	Share of households supported by the participation of women as the program seeks to increase female uptake.	Semi-Annual (FY 2021 to FY 2023).	MoDMR/DDM MIS; beneficiary households.	Database query; location visit; spot checks.	DDM.
Beneficiaries of Rohingya community services/works	Number of unique beneficiaries enrolled in the program. This would indicate the total reach of the program among the Rohingya community in Cox’s Bazar.	Semi-Annual (FY 2021 to FY 2023).	WFP SCOPE platform.	Database query; location visit.	MoDMR (via WFP).
Households supported by the participation of women	Share of households supported by the participation of women as the program seeks to increase female uptake.	Semi-Annual (FY 2021 to FY 2023).	WFP SCOPE Platform.	Database query; location visit.	MoDMR (via WFP).
Beneficiaries in bottom expenditure quintile: EGPP	Percentage of program benefits received by beneficiaries in bottom expenditure quintile in Cox's Bazar (during FY 2021 to FY 2023).	Four times (FY 2015, FY 2016, FY 2017, and within FY 2023).	Beneficiary households; MoDMR/DDM MIS; NHD MIS.	Household surveys; database query.	World Bank.



Beneficiaries in bottom expenditure quintile: FFW/WFM	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Household surveys.	World Bank.
Beneficiaries in bottom expenditure quintile: TR	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Household surveys.	World Bank.
Beneficiaries in bottom expenditure quintile: VGF	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Household surveys.	World Bank.
Beneficiaries in bottom expenditure quintile: GR	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Household surveys.	World Bank.
Program benefits received by beneficiaries in bottom expenditure quintile: EGPP	Percentage of program benefits received by beneficiaries in bottom expenditure quintile in Cox's Bazar (during FY 2021 to FY 2023).	Four times (FY 2015, FY 2016, FY 2017, and within FY 2023).	Beneficiary households; MoDMR/DDM MIS; NHD MIS.	Household surveys; database query.	World Bank.
Program benefits received by beneficiaries in bottom expenditure quintile: FFW/WFM	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Household surveys.	World Bank.
Program benefits received by beneficiaries in bottom expenditure quintile: TR	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Household surveys.	World Bank.



Program benefits received by beneficiaries in bottom expenditure quintile: VGF	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Household surveys.	World Bank.
Program benefits received by beneficiaries in bottom expenditure quintile: GR	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Household surveys.	World Bank.
Beneficiaries aware of program rules: EGPP	Percentage of beneficiaries aware of selected program parameters in Cox's Bazar (during FY 2021 to FY 2023).	Four times (FY 2015, FY 2016, FY 2017, and within FY 2023).	Beneficiary households.	Location visit; spot checks.	DDM.
Beneficiaries aware of program rules: FFW/WFM	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Spot checks.	DDM.
Beneficiaries aware of program rules: TR	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Spot checks.	DDM.
Beneficiaries aware of program rules: VGF	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Spot checks.	DDM.
Beneficiaries aware of program rules: GR	-	FY 2015, FY 2016, and FY 2017.	Beneficiary households.	Spot checks.	DDM.



Development of a shock-responsive program window: EGPP	Assessment of whether MoDMR has defined parameters and established mechanisms to roll-out the EGPP+ in response to future shocks in Bangladesh. Relevant parameters and mechanisms will be determined in FY 2021.	Once (within FY 2023).	MoDMR.	Documentation review.	MoDMR.

**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Increase pro-poor geographic targeting of program resources	-	Annual (FY 2014 to FY 2019).	Administrative reports; beneficiary households.	Documentation review; spot checks.	DDM.
Increase use of program household eligibility criteria and the NHD	Assessment of whether the associated DLI Targets have been met.	Annual (FY 2014 to FY 2023).	Administrative reports; beneficiary households; MoDMR/DDM MIS; NHD MIS.	Documentation review; spot checks; database query.	DDM.
Increase use of efficient administrative	-	Annual (FY	Administrative	Documentation review;	DDM.



systems		2014 to FY 2019).	reports; beneficiary households; MoDMR/DDM MIS.	spot checks; database query.	
Implement efficient payment system for cash wages	-	Annual (FY 2014 to FY 2019).	Administrative reports; beneficiary households; MoDMR/DDM MIS.	Documentation review; spot checks; database query.	DDM.
Availability of Information on MoDMR/DDM websites	-	Annual (FY 2014 to FY 2019).	MoDMR/DDM websites.	Website review.	DDM.
Establishment of Data Center and Disaster Recovery Sites	Assessment of whether the MoDMR/DDM has established a (1) data center, and (2) disaster recovery site, for its MIS.	Annual (FY 2014 to FY 2023).	Administrative reports; hardware supplier reports.	Documentation review; location visit.	DDM.
Personnel trained on MIS usage	Number of MoDMR/DDM officials trained (nationally) to use the MIS to effectively administer the EGPP.	Annual (FY 2014 to FY 2023).	Administrative reports; MIS consultant reports.	Documentation review; location visit.	DDM.
Upazilas with NHD Operators hired and trained	-	Annual (FY 2014 to FY 2019).	Administrative reports.	Documentation review; location visit.	BBS.



Upazilas where data collection for the NHD is completed	-	Annual (FY 2014 to FY 2019).	Administrative reports.	Documentation review; location visit.	BBS.
Total Household Population registered in the NHD	Percentage of population whose personal information is registered in the NHD.	Annual (FY 2014 to FY 2023).	NHD MIS.	Database query.	BBS.
NHD data sharing agreements signed	Number of agreements signed between BBS and other agencies to use NHD data to facilitate program targeting.	Annual (FY 2020 to FY 2023)	Administrative reports.	Documentation review.	BBS.
Workdays provided under EGPP+	Number of workdays provided to host community households in accordance with the relevant operations manual.	Semi-Annual (FY 2021 to FY 2023).	MoDMR/DDM MIS.	Database query; location visit; spot checks.	DDM.
Female beneficiaries	Female beneficiaries.	Semi-Annual (FY 2021 to FY 2023).	MoDMR/DDM MIS.	Database query; location visit; spot checks.	DDM.
Beneficiaries satisfied with service delivery	Share of beneficiaries satisfied with service delivery in terms of the program processes of application, grievance redress, payment, etc.	Twice (within FY 2023).	Beneficiary households.	Location visit; spot checks.	DDM.
Workdays provided under Rohingya community services/works	Number of workdays provided to Rohingya	Semi-Annual (FY	WFP SCOPE platform.	Database query; location visit.	MoDMR (via WFP).



	households in accordance with the relevant operations manual.	2021 to FY 2023).			
Female beneficiaries	Female beneficiaries.	Semi-Annual (FY 2021 to FY 2023).	WFP SCOPE platform.	Database query; location visit.	MoDMR (via WFP).
Beneficiaries with LPG purchase capacity	Number of Rohingya households who have been transferred benefits facilitating purchases of LPG refills for at least 6 months.	Semi-Annual (FY 2021 to FY 2023).	WFP SCOPE platform.	Database query; location visit.	MoDMR (via WFP).
Female beneficiaries	Female beneficiaries.	Semi-Annual (FY 2021 to FY 2023).	WFP SCOPE platform.	Database query; location visit.	MoDMR (via WFP).
Beneficiaries with community marketplace purchase capacity	Number of Rohingya households who have been transferred benefits facilitating purchases in the community marketplace for at least 6 months.	Semi-Annual (FY 2021 to FY 2023).	WFP SCOPE platform.	Database query; location visit.	MoDMR (via WFP).
Female beneficiaries	Female beneficiaries.	Semi-Annual (FY 2021 to FY 2023).	WFP SCOPE platform.	Database query; location visit.	MoDMR (via WFP).
Beneficiaries satisfied with service delivery	Share of beneficiaries satisfied with service	Twice (within FY	Beneficiary households.	Location visit; spot checks.	MoDMR (via WFP).



	delivery in terms of the program processes of application, grievance redress, payment, etc.	2023).			
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**Disbursement Linked Indicators Matrix**

DLI 1	Household Targeting			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Text	64,000,000.00	0.58
Baseline	NHD data collected in 17 districts; NHD system under development.			
FY 2018 (Year 5)	In at least 8 upazilas, beneficiary records validated against the NHD.		32,000,000.00	
FY 2019 (Year 6)	In at least 15 upazilas, EGPP and VGF (festival component) beneficiaries drawn from the bottom 30% of the NHD.		32,000,000.00	

**Action: This DLI has been Revised. See below.**

DLI 1	Increase use of program household eligibility criteria and the NHD			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Yes/No	59,000,000.00	0.53
Baseline	No			





FY 2018 (Year 5)	Yes	32,000,000.00	
FY 2019 (Year 6)	Yes	27,000,000.00	

DLI 2		Administrative Systems		
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Text	64,000,000.00	0.58
Baseline	Approximately 900,000 EGPP beneficiary records digitized.			
FY 2018 (Year 5)	At least 1,200,000 safety net program beneficiary records digitized.		32,000,000.00	
FY 2019 (Year 6)	At least 1,500,000 safety net program beneficiary records digitized.		32,000,000.00	

**Action: This DLI has been Revised. See below.**

DLI 2		Increase use of efficient administrative systems		
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Yes/No	64,000,000.00	0.58
Baseline	No			
FY 2018 (Year 5)			32,000,000.00	
FY 2019 (Year 6)	Yes		32,000,000.00	



<b>DLI 3</b>				
Payment Systems				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Text	64,000,000.00	0.58
Baseline	1 upazila delivering EGPP wages using digital payment.			
FY 2018 (Year 5)	In at least 8 upazilas, EGPP wages delivered using digital payment.		32,000,000.00	
FY 2019 (Year 6)	In at least 15 upazilas, EGPP wages delivered using digital payment.		32,000,000.00	
<b>Action: This DLI has been Revised. See below.</b>				

<b>DLI 3</b>				
Implement efficient payment system for cash wages				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Yes/No	64,000,000.00	0.58
Baseline	No			
FY 2018 (Year 5)	Yes		32,000,000.00	
FY 2019 (Year 6)	Yes		32,000,000.00	

**Verification Protocol Table: Disbursement Linked Indicators**



<b>DLI 1</b>	Household Targeting
<b>Description</b>	
<b>Data source/ Agency</b>	DDM.
<b>Verification Entity</b>	DDM.
<b>Procedure</b>	
<b>DLI 1</b>	Increase use of program household eligibility criteria and the NHD
<b>Description</b>	Assessment of whether the associated DLI Targets have been met.
<b>Data source/ Agency</b>	DDM.
<b>Verification Entity</b>	DDM.
<b>Procedure</b>	Summary reports generated by the MoDMR/DDM safety net program MIS and/or NHD indicating that validation has been conducted (Year 5) and beneficiary eligibility based on poverty scores (Year 6). Program guidelines and/or circulars indicating the requirement for use of the NHD for beneficiary selection (Year 5). Third party spot check report from a sample of relevant upazilas to assess the proportion of beneficiaries that have been drawn from the bottom 30% of the NHD (Year 6).
<b>DLI 2</b>	Administrative Systems
<b>Description</b>	
<b>Data source/ Agency</b>	
<b>Verification Entity</b>	
<b>Procedure</b>	



<b>DLI 2</b>	Increase use of efficient administrative systems
<b>Description</b>	-
<b>Data source/ Agency</b>	DDM.
<b>Verification Entity</b>	DDM.
<b>Procedure</b>	Summary reports generated by the EGPP MIS and/or MoDMR/DDM safety net program MIS indicating the total number of beneficiary records (Year 5 and Year 6). Third party spot check report from a sample of relevant upazilas to assess whether PIOs and/or SAEs have digitized beneficiary records (Year 5 and Year 6).
<b>DLI 3</b>	Payment Systems
<b>Description</b>	
<b>Data source/ Agency</b>	
<b>Verification Entity</b>	
<b>Procedure</b>	
<b>DLI 3</b>	Implement efficient payment system for cash wages
<b>Description</b>	-
<b>Data source/ Agency</b>	DDM.
<b>Verification Entity</b>	DDM.
<b>Procedure</b>	Summary reports generated by the EGPP MIS and/or MoDMR/DDM safety net program MIS indicating the number of beneficiaries paid and the amount paid, for each work period (Year 5 and Year 6). Summary reports provided by payment service providers (Year 5 and Year 6). Third party spot check report from a sample of relevant upazilas to assess whether beneficiaries have received wages using digital payment (Year 5 and Year 6).



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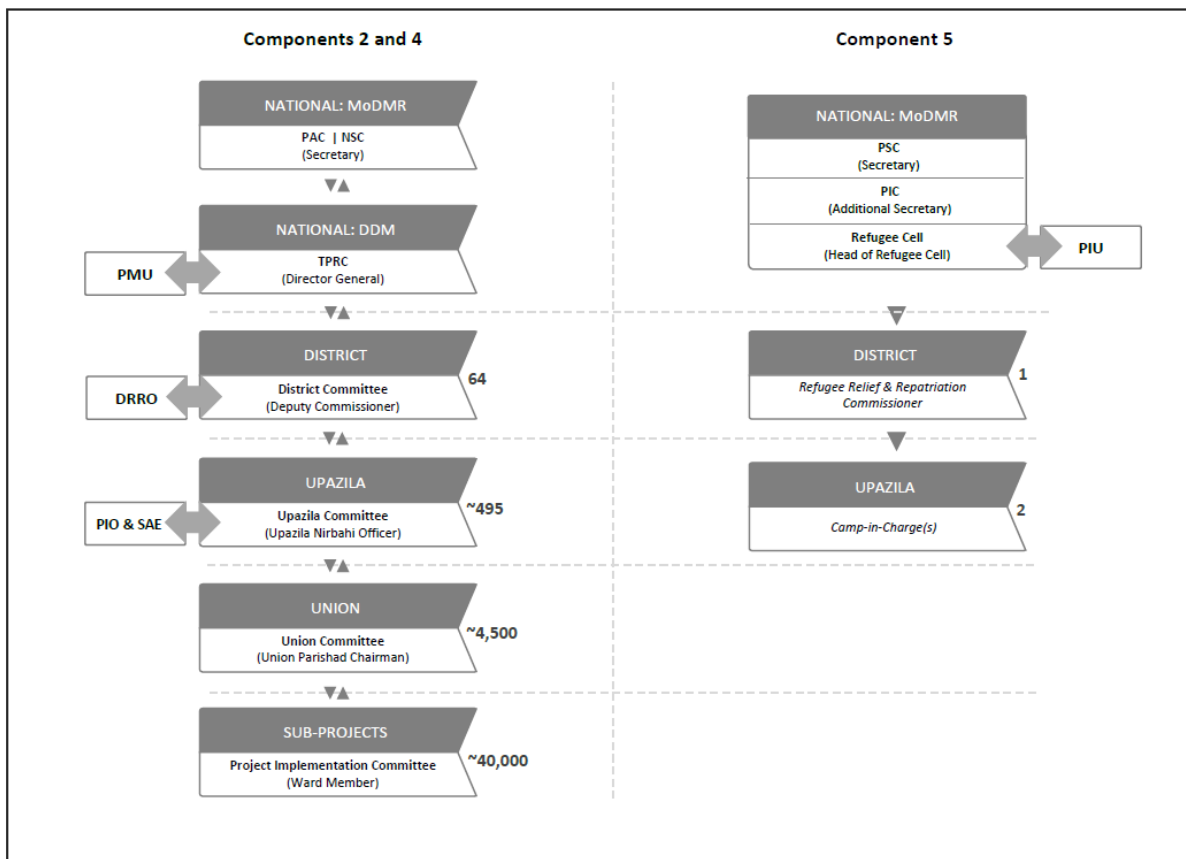
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### ANNEX 1: Implementation and Institutional Arrangements

#### A. Overview

1. Implementation and institutional arrangements for the proposed Additional Financing will follow the arrangements of the original Project, as well as that of the ongoing EMRCR Project. Accordingly, the implementing agency for Component 2 (Strengthening MoDMR Program Administration and Shock-Responsiveness) and Component 4 (Strengthening Host Community Resilience with EGPP+) which would provide support for the host community in Cox’s Bazar would be DDM, while the implementing agency for Component 5 (Strengthening Rohingya Community Resilience) would be MoDMR, i.e. DDM’s parent ministry, which directly manages interventions pertaining to the Rohingya community. Although Component 1 (Support to MoDMR Safety Net Programs) and Component 3 (Development of the NHD) do not receive any allocation under the proposed Additional Financing, activities under both Components would continue and follow the original Project’s implementation and institutional arrangements.
2. The diagram below shows the arrangements for Components 2, 4 and 5, i.e. those funded under the proposed Additional Financing (described in detail below):





**B. Host Community Support (under Components 2 and 4)**

3. At the national level, a Project Advisory Committees (PAC) has been established at MoDMR under the original Project to provide policy advice and oversight, coordinate activities, and ensure the effective implementation of Components 1 and 2 implemented by DDM. The Committee is chaired by the Senior Secretary (or Secretary, as the case may be), MoDMR. For the purpose of the proposed Additional Financing, this PAC would serve the same function for Component 4. As the purpose of Component 4 is to support the implementation of the shock-responsive EGPP+, the PAC guidance would be provided for the consideration of the National Steering Committee (NSC) for safety net programs as set out in the EGPP Guidelines (which is a regular Government committee, while the PAC has been established for the purpose of the Project).
4. Additionally, at the national level, a Technical Project Review Committee (TPRC) has been established at DDM to supervise the DDM Project Management Unit (PMU) (described below), provide implementation advise, monitor and evaluate progress and suggest course corrections, review personnel performance and deliverables' quality, resolve issues and conflicts, facilitate coordination with other line ministries, divisions and agencies, and appraise the PAC on overall performance. The Committee is chaired by the Director General, DDM. The TPRC, which has been established for the purpose of the Project, would support the implementation of the shock-responsive EGPP+ and ensure policy and operational coordination with the PAC and NSC via the relevant Director, DDM, and the Director General (who have responsibilities for the EGPP as a regular Government program).
5. DDM has established a PMU led by a Project Director, with two Deputy Project Directors, and comprising Directors (or Deputy Directors, as the case may be) responsible for various safety net programs, and other administrative functions, as well as staff with qualifications and experience in procurement, financial management, safety net programs, training, among others. This PMU would thus extend its current functions to support implementation of the shock-responsive EGPP+ in conjunction with the relevant Director (or Deputy Director) responsible for the EGPP.
6. At the sub-national administrative levels, (i) district committees, (ii) upazila committees, (iii) union committees, and (iv) (sub)project implementation committees (PICs), headed by local administration officials (the DC for the district and the UNO for the upazila) and local government representatives (the Chairman for the union and Ward Member(s) for subprojects), are supported by the DRRO (district), PIO and SAE (upazila). These committees are responsible for various aspects of EGPP implementation and would serve the same functions for the shock-responsive EGPP+.

**C. Rohingya Community Support (Component 5)**

7. A Project Steering Committee (PSC), at the national level, has been established at MoDMR under the EMRCR Project to review overall progress, provide strategic and policy direction, provide implementation and operational guidance, and facilitate coordination of Component 2 (Enhancing Community Resilience). The Committee is chaired by the Senior Secretary (or Secretary, as the case may be), MoDMR. For the purpose of the proposed Additional Financing, this PSC would serve the same function for Component 5, as would the subordinate institutional structures (described below).



8. A Project Implementation Committee (PIC), also at the national level, has been established at MoDMR to supervise overall progress, providing implementation advice, resolve issues, and appraise the PSC on overall performance.
9. A Project Implementation Unit (PIU) has been established within MoDMR, led by a Project Director, and comprising staff with qualifications and experience in procurement, financial management, safety net programs, training, among others. The PIU operates out of MoDMR but with selected staff based in Cox's Bazar to provide closer implementation support.
10. In Cox's Bazar, the (i) RRRRC and (ii) CiCs, are responsible for the management of the Rohingya community services/works program and would thus supervise the day to day operations carried out by WFP.

#### **D. Stakeholder Coordination**

11. Numerous UN/international/local agencies/organizations are implementing a range of social assistance interventions in Cox's Bazar for both host and Rohingya communities which necessitates close coordination to ensure efforts are harmonized and complementary, and in order to avoid overlap and duplication. Coordination between GoB and the development partner community for both these interventions would follow existing institutional mechanisms.
12. The Strategic Executive Group (SEG), co-chaired by the UN Resident Coordinator, International Organization for Migration (IOM), and UNHCR provides strategic guidance to the overall humanitarian response and is engaged with MoDMR at the national level. The ISCG, headed by the Senior Coordinator, and comprising thematic Sector and Working Group Coordinators, coordinates the humanitarian response at the district and upazila levels. The Senior Coordinator also chairs the Heads of Sub-Office Group (HoSOG) which brings together the heads of all UN/international/local agencies/organizations based in Cox's Bazar.
13. For the purpose of the Rohingya community services/works program under Component 5 of the proposed Additional Financing (as well as Component 2 of the EMRCR Project), the ISCG is closely engaged with the RRRRC, as well as the DC and UNOs (for Teknaf and Ukhia upazilas). The DC and UNOs would continue to play a role for the purpose of coordination with the shock-responsive EGPP+ which benefits the host community given their role as chairs of the district and upazila committees responsible for EGPP implementation. In this regard, the DRRO and PIO would need to be engaged in coordination meetings involving the ISCG and DC/UNOs.





## ANNEX 2: EGPP Data

### A. EGPP Wages and Work Days

- The table below shows the amount paid as wages to beneficiaries of the EGPP nationally, as well as the work days generated by the program.<sup>37</sup> The Project contribution to the EGPP expenditure on wages is paid on a reimbursement basis. Accordingly, the EGPP expenditures are shown in the fiscal year in which they were actually incurred, while the Project contribution amounts are shown in the fiscal year in which the World Bank financing was disbursed.

EGPP	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Wages (BDT billion)	12.12	13.02	12.94	13.93	14.75	-	<b>66.77</b>
Work Days (million)	60.62	65.09	64.71	69.66	73.76	-	<b>333.84</b>
Project Contribution	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Wages (BDT billion)	1.55	1.55	7.84	10.83	7.05	10.62	<b>39.45</b>
Work Days (million)	7.76	7.73	39.21	54.17	35.26	53.11	<b>197.24</b>

<b>Project Contribution</b>	<b>59.08%</b>
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### B. EGPP+ Co-Financing for Cox's Bazar

- The Government budget for the regular EGPP in FY 2020 is BDT 16.50 billion of which the amount allocated towards Cox's Bazar is BDT 274.65 million. Based on MoDMR medium-term expenditure estimates, the allocations for FY 2021 and FY 2022 are expected to increase by 21.21 percent and 12.50 percent from the preceding fiscal year. Assuming the FY 2023 budget remains at the FY 2022 level, during the period the EGPP will operate as the shock-responsive EGPP+ the estimated allocation for Cox's Bazar is BDT 894.96 million. Based on the proposed Additional Financing of US\$65 million under Component 4, the World Bank's contribution towards the EGPP+ would be BDT 5.46 billion.<sup>38</sup> This represents an IDA parallel co-financing amount of around 86 percent.

Financing Source	FY 2021	FY 2022	FY 2023 (half)	Total
<b>Government</b> (BDT million)	332.91	374.52	187.26	<b>894.96</b>
<b>Project</b> (BDT million)	2,184.00	2,184.00	1,092.00	<b>5,460.00</b>
<b>Total</b> (BDT million)	<b>2,516.90</b>	<b>2,558.51</b>	<b>1,279.26</b>	<b>6,354.67</b>
<b>IDA Co-Financing</b>	<b>86.77%</b>	<b>85.36%</b>	<b>85.36%</b>	<b>85.92%</b>

<sup>37</sup> Based on Component 1 IUFRs, including EGPP Expenditure Reports, prepared by DDM.

<sup>38</sup> Based on an exchange rate of BDT 84.00 per US\$1.00 and considering half of FY 2023 given the Project closing date.