

Bangladesh : Bangladesh Municipal Water Supply and Sanitation Project

1. Project Information

Project ID:	P000068	Instrument ID:	L0068A
Member:	Bangladesh	Region:	Southern Asia
Sector:	Water	Sub-sector:	Water supply, sanitation, and wastewater treatment
Instrument type:	<input checked="" type="checkbox"/> Loan:100.00 US Dollar million <input type="checkbox"/> Guarantee	Lead Co-financier(s):	World Bank
ES category:	B	Borrowing Entity:	Ministry of Finance, Bangladesh
Implementing Entity:	Department of Public Health Engineering, Bangladesh		
Project Team Leader:	Jana Halida Uno		
Responsible DG:	Rajat Misra		
Responsible Department:	INF1		
Project Team Members:	Liu Yang, Project Counsel; Guoping Yu, OSD - Procurement Specialist; Rui Xiang, OSD - Financial Management Specialist; Victoriano Macasaquit, OSD - Social Development Specialist; David Rollinson, OSD - Environment Specialist; Ronald Muana, Team Member; Jinghui Li, Project admin		
Completed Site Visits by AIIB:	Oct, 2020 a mission was organized by IDA Bangladesh country office from October 11-15. AIIB was not invited but received the Aide Memoire. Apr, 2021 a virtual joint implementation support mission with the World bank was conducted in April 2021. Oct, 2021 Visit by a virtual joint implementation support mission with the World Bank May, 2022 Implementation support mission with GoB and WB. AIIB's social development specialist and AIIB's field-based consultant attended the mission in Bangladesh on behalf of AIIB. Dec, 2022 Physical mission Jul, 2023 Implementation Support mission with WB and GoB. Joined by AIIB field-based consultant.		
Planned Site Visits by AIIB:	Jan, 2024 Physical mission		
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	0		
Previous Red Flags Assigned Date:	2022/12		

2. Project Summary and Objectives

Project Objective is to increase access to improved water supply and sanitation services in selected pourashavas (municipalities) and strengthen the pourashavas' institutional capacities for delivering water and sanitation services. The project is to improve: (i) waters supply and sanitation systems to improve living conditions of about 600,000 people, and at least 150,000 people respectively in selected 30 municipalities; and (ii) water services and management skills of implementing agencies' staff, e.g. DPHE, and other public and private sector agencies".

3. Key Dates

Approval:	Jul. 11, 2019	Signing:	Dec. 11, 2019
Effective:	Mar. 05, 2020	Restructured (if any):	
Orig. Closing:	Dec. 31, 2024	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	43.59	Most recent disbursement (amount/date):	1.56/Jun. 13, 2023
Undisbursed:	56.41	Disbursement Ratio (%) ¹ :	43.59

5. Project Implementation Update

There has been some progress in advancing the project activities since the Mid-Term Review (MTR) in December 2022, with several contracts signed for both water distribution networks and integrated fecal waste treatment facilities and actual work starting on the ground. However, the overall progress of the piped water supply component has been slow, with delays in completing the actions agreed upon during the December 2022 MTR Mission. It is assessed that the project is likely to achieve the objectives of piped water supply and sanitation construction. However, in light of the delays in the completion of piped water supply systems since the MTR, there is a risk that while infrastructure will be constructed by the closing date of December 2024, this may not translate into a significant achievement of the project objective indicator on "municipalities with operational water supply systems" because some municipalities may fail to fully commission and start operations by the current closing date. Similarly, sanitation systems (public toilets, desludging, and treatment systems) may be in place in many municipalities but have not witnessed a period of reasonable operational practice by the closing date. The performance of the project implementation will be closely monitored by the project team to ensure timely delivery of the agreed results; if the project status at the end of 2023 warrants, appropriate measures will be taken (such as further restructuring or project change).

As of to date, the achievements on the results framework indicators to address the gender gaps are the following: i) People provided with access to improved water is 24,835 females (target 300,000); ii) People provided with access to improved sanitation services -

¹ Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

Female: 303,519 females (target 340,000); iii) Number of municipalities maintaining at least 30% attendance level of female members in Town Level Coordination Committees: 27 municipalities (target 30).

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Sector Support and Capacity Strengthening of Department of Public Health Engineering and Pourashavas (USD10.69 million)	<ul style="list-style-type: none"> •Second round of performance assessment for the July-Dec 2022 period is nearing completion (citizen report card surveys are on-going) and expected to be completed by August 31, 2023. •National Communications Consultancy: PMU has sought approval to restructure the package into i) one communications expert; and ii) a firm for community mobilization for a short period. •A Technical Committee of DPHE is reviewing the draft Terms of Reference (TOR) for MIS, GIS, and WQMS – in order to harmonize the organization-wide needs of DPHE and support from other development partners. On approval, PMU will commence procurement. •Assessment of DPHE's roles and responsibilities in capacity strengthening for the sector has been conducted, consultations held with the DPHE nodal committee and an Action Plan drafted. •Local Govt Division (LGD) (at the Ministry of LGRD&C) have accorded 	<ul style="list-style-type: none"> •National Communications Consultancy: PMU has sought approval to restructure the package into hiring and mobilizing i) one communications expert; and ii) a firm for community mobilization 	<ul style="list-style-type: none"> •The PMU has requested approval of the Bank to restructure the national-level communication consultancy package and i) hire one communications expert, and ii) a firm for Community Mobilization and Awareness Program for a short period of time to prepare communications material, etc. However, the PMU is urged to complete the procurement process quickly. •The TOR for MIS, GIS, and WQMS is being reviewed and the approved TOR will be the basis for the PMU to commence procurement, expected by September 30, 2023.

	approval for setting up a Municipal Support Circle (MSC) at DPHE – Office Order will be issued by DPHE on receiving minutes of the meeting from LGD.		
Component 2: Investment for Water Supply Infrastructure (USD54.68 million)	<ul style="list-style-type: none"> •Construction of 19 Bulk water supply units were completed. •Installation of water supply distribution networks have been fully completed in 3 municipalities only i.e. Taherpur, Chowgacha, and Gangni. •9 additional municipalities have completed at least 70% of the installation of distribution networks and service connections. •The trial operations of the water supply system have been commenced in 3 municipalities, i.e. Chowgacha, Nachole and Gangni. 	<ul style="list-style-type: none"> •The water quality test-kits have been procured and supplied to the municipalities and hands-on trainings were conducted for testing various water quality parameters. •The PMU agreed to increase efforts to engage the Water Superintendents in performing water quality testing at regular basis. •The installation of Fire Hydrants at strategic locations of the distribution pipeline networks is in progress for some municipalities while some have been already installed. 	<ul style="list-style-type: none"> •Construction of Bulk Water Supply Units: Out of 13 works contracts being awarded for all the 30 municipalities, works have been completed in 19 municipalities. It is expected that construction of all the units of remaining 11 municipalities will be completed by March 2024. •Installation of Distribution Pipeline Network: Contracts for all the 30 works packages are under implementation. It is expected that works will be completed by June 2024.
Component 3: Improving Sanitation and Drainage (USD30.67 million)	<ul style="list-style-type: none"> •The progress on approval of households for toilet construction has been very slow, with only 4,878 toilets have been approved as of July 19 2023. •Delay in revision of DPP has impacted progress as new toilet unit costs are not yet being used. •The number of local sanitation entrepreneurs (LSEs) is being expanded and more training being provided to enhance the supply-side capacity. •Sanitation Improvement Plans have been completed 	<ul style="list-style-type: none"> •The required land for 14 (fourteen) Fecal Sludge Treatment Plants (FSTP) has been obtained. The project will also install a distribution network covering 1213 km across 30 municipalities. The land for these purposes has been obtained by the project through direct purchase, voluntary donations, utilization of municipalities lands and khaas lands. Land Acquisition is not permitted under the project. A document containing the information on land type, means of obtaining it, price paid to owner, registration status, project activity, land donated, etc. were submitted on July 20, 2023 for further review the E&S compliance of the project. •The PMU and their consultants conducted a screening across 30 (thirty) municipalities for the drainage network route to identify 	<ul style="list-style-type: none"> •Development of Integrated FSTPs: For the “Development of Integrated Waste Management Facility and Construction of Public Toilets” for 14 municipalities, contracts have been awarded for 7 municipalities, Invitation for Bids (IFB) will be processed for one municipality in August 2023 and the rest 6 municipalities are under cost estimate preparation stage. For the remaining 16 municipalities, the PMU has proposed construction works for “Development of Solid Waste Disposal Site, Fecal disposal in the form of Trenching and Construction of Public Toilets”. •Drainage Improvement

	<p>for 18 municipalities.</p> <ul style="list-style-type: none"> •Contracting has been completed for 7 packages in 7 municipalities for construction of integrated fecal sludge treatment plants. •Business model: one round of familiarization meetings has been done in 18 municipalities. Business models specific to each of these municipalities are being developed and shall be discussed with them for decision-making. •Public Toilet sites have been identified in all 30 municipalities. •Draft strategy for engaging Women’s Self-help Groups (SHG) in Public Toilets’ operations management is under consideration of the PMU. •Drainage work is under progress in 28 municipalities, but progress has slackened to only 45% (100% complete in only 4 municipalities). 	<p>any impacts and impacted households. An inventory of losses has been compiled and is under review by the PMU. The updated table for an inventory of loss and their payment status will be submitted to the Bank by August 10, 2023.</p> <ul style="list-style-type: none"> •The number of local sanitation entrepreneurs (LSEs) is being expanded and more training being provided to enhance the supply-side capacity. •Sanitation Improvement Plans have been completed for 18 municipalities. •Prepared a Draft strategy for engaging Women’s Self-help Groups (SHG) in Public Toilets’ operations management. Site-specific Environmental Assessments (EA) for the drainage, distribution networks and Fecal Sludge Treatment Plants (FSTP) are yet to be developed. •Site-specific Environmental Assessments (EA) for the drainage, distribution networks and Fecal Sludge Treatment Plants (FSTP) are yet to be developed. 	<p>works: The construction of drainage under 30 works packages had been awarded. It is expected that works will be completed by June 2024.</p>
<p>Component 4: Project Implementation and Management Support (USD3.96 million)</p>	<ul style="list-style-type: none"> •PMU has developed and operationalized the project M&E system. •PMU has completed the second round of the Pourashava institutional performance assessment. •The procurement processing for the planned feasibility studies for water supply and sanitation services in 30 municipalities has been launched. •The PMU has formally announced the results of the first round of institutional 	<ul style="list-style-type: none"> •Gender Action Plan (GAP) was reviewed, and the GAP monitoring report was updated. •Twenty-eight (28) municipalities received disaster management training and as a result of the training, 28 gender sensitive contingency plans were developed by the municipalities. •TSU organized training for labors on Code of Conduct (CoC) in all municipalities to ensure safe workplace. •Ten (10) Focused Group Discussion (FGD) meetings were organized in 3 municipalities to increase women’s participation in project activities. •The PMU will submit a Social Management Plan (SMP) that would 	<ul style="list-style-type: none"> •Renovation of PMU and DPHE Field Level Offices: The renovation works under 10 works packages have been completed. •The 11 packages of goods procurement were completed. The new procurement process for Safety Equipment for municipalities and Supply of water meter for 30 municipalities will be initiated by August 2023. •Due to changes in scope of some consulting service contracts i.e. TSU and related services consultancy, Sanitation

	performance assessment through an award ceremony.	compile the information and analysis from/relevant to the extensive consultation, training and awareness raising that the PMU has continuously conducted; the screening process; establishment of cut-off dates, inventory of losses, system/process for making compensation payments or reconstruction (with an organogram), including the Grievance Redress Mechanism (GRM) (with roles and responsibilities), gender/Gender-based Violence (GBV) considerations, amongst others by August 25, 2023. •The PMU needs to improve the critical environmental and Occupational Health and Safety (OHS) issues during the project implementation and follow good environmental management practices. •The PMU is requested to hire and mobilize individual environmental consultant to enhance Environmental Safeguards management capacity of the project.	Support Consultancy, Assessment for Institutional Performance of municipalities etc., the TOR of such consulting services will be revisited and modified and processed as new packages through Direct Selection wherever applicable. The Request for Expressions of Interest (REOI) for the feasibility study for the implementation of Water Supply and Sanitation Scheme in another 30 municipalities was issued on July 19, 2023 and it is expected that the contract will be signed by December 31, 2023. It is to noted that 7 individual consultants are already working for the project.
Component 5: Contingent Emergency Response (USD0 million, n/a)	N/A		N/A

Financial Management:

Financial Management (FM): PMU has been submitting quarterly IUFs timely. The latest project audit report for FY 2021–22 was submitted in a timely manner and deemed acceptable by the Bank. The auditor issued an unqualified opinion (clean) on the financial statements. The next external audit for FY 2022–23 shall be submitted to the Bank by December 31, 2023. The significant difference between physical progress and financial progress, as observed during the MTR, has now been minimized except for a few work contracts related to drainage systems. As agreed by the PMU, a follow-up internal audit on the operations of the municipality will be submitted to the Bank. A junior Financial Management (FM) consultant will be hired by the PMU by October 31, 2023, to support the day-to-day FM operation of the project.

6. Status of the Grievance Redress Mechanism (GRM)

As of 01 August 2023, no grievance reported from the 60 GRC's for project affected persons and workers. No report also related to any gender- based violence in the current project areas.

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7. Results Monitoring (please refer to the full RMF, which can be found on the last page of this PIMR)

Some indicators are delayed in achieving its annual target due to the COVID19 pandemic disruptions. An intermediate indicator is progressing to reflect procurement and physical progress. Target values are set-up for achievement at project closure.

Remarks:

Project Objective Indicators	Indicator level	Unit of Measure	Cumulative Target Values																		Frequency	Responsibility	Comments	
			Baseline		2018		2019		2020		2021		2022		2023		2024		End Target					
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual
People provided with access to improved water sources	Project	Number	2018	0									0			600,000		2024	600,000		Annual			
People provided with access to improved water -Female	Project	Number	2018	0									0			300,000		2024	300,000		Annual			
People provided with access to improved sanitation services	Project	Number	2018	600,000									600,173			680,000		2024	680,000		Annual			
People provided with access to improved sanitation services - Female	Project	Number	2018	300,000									300,087			340,000		2024	340,000		Annual			
Number of municipalities scoring 50% and above in Performance Assessment Scorecard	Project	Number	2018	0									30			30		2024	30		Annual			
Number of municipalities with operational water supply systems	Project	Number	2018	0									0			30		2024	30		Annual			

Project Intermediate Indicators	Indicator level	Unit of Measure	Cumulative Target Values																		Frequency	Responsibility	Comments	
			Baseline		2018		2019		2020		2021		2022		2023		2024		End Target					
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Year	Target				Actual

Participating municipalities with at least 80% cost recovery on operations and maintenance	Project	Number	2018	0										0			24		2024	24		Annual		
Number of municipalities maintaining separate WSS bank accounts	Project	Number	2018	0										30			30		2024	30		Annual		
Number of municipalities supplying at least 11 hours per day of water to customers	Project	Number	2018	0										0			20		2024	20		Annual		
Number of municipalities supplying water of quality in compliance with Bangladesh standards	Project	Number	2018	0										0			30		2024	30		Annual		
Number of municipalities with developed and approved sanitation action plans	Project	Number	2018	0										0			30		2024	30		Annual		
Number of municipalities with at least 50% improved toilets	Project	Number	2018	0										0			25		2024	25		Annual		
Number of municipalities with Public Toilets being operated by Private Operators/SHGs	Project	Number	2018	0										0			30		2024	30		Annual		
Number of municipalities with operational service contracts for emptying	Project	Number	2018	0										0			15		2024	15		Annual		
Number of municipalities that implement drainage improvements to manage storm water and wastewater	Project	Number	2018	0										30			30		2024	30		Annual		

Number of municipalities maintaining Grievance Redressal Mechanism (GRM)	Project	Number	2018	0										30				30		2024	30		Annual		
Number of municipalities maintaining at least 30% attendance level of female members in Town Level Coordination Committees	Project	Number	2018	0										24				30		2024	30		Annual		
Percentage of beneficiaries expressing satisfaction over service provision (gender disaggregated)	Project	Percentage	2018	0										0				55		2024	55		Annual		
Number of municipalities that have public toilets managed by women run Self-Help Groups	Project	Number	2018	0										0				10		2024	10		Annual		
Number of municipalities with women employed in various roles in Water and Sanitation service delivery	Project	Number	2018	0										0				9		2024	9		Annual		