

## SBF Project Implementation Monitoring Report

### Bangladesh: Bangladesh Municipal Water Supply and Sanitation Project

#### 1. Project Information

Project ID:	000068	Investment Number:	L0068A
Member:	Bangladesh	Region:	Southern asia
Sector:	Water	Sub-sector:	Sanitation, Water Supply
AIB Financing Type:	Loan: 100 USD million	Co-financier(s):	International Development Agency (IDA), World Bank Group (LEAD)
E&S category:	B	Borrower:	People's Republic of Bangladesh
Red Flags Assigned:	0	Monitoring Regime:	Regular Monitoring
Implementing Agency:	Department of Public Health Engineering		
Project Team Leader:	Jana Halida Uno		
Project Team Members:	Bernadette Ndeda, Procurement Specialist Sheikh Naveed Ahmend, Social Development Specialist Shonell Robinson, Financial Management, Administrative Assistant Somnath Basu, Principal Environment and Social Development Specialist Jinghui Li, Administrative Assistant		
Completed Site Visits by AIB:	Apr, 2021 A virtual joint implementation support mission with the World bank was conducted in April 2021. Oct, 2020 A mission was organized by IDA Bangladesh country office from October 11-15. AIB was not invited but received the Aide Memoire.		
Planned Site Visits by AIB:	Oct, 2021 Virtual mission is planned in October 2021.		

#### 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. 5, 2020	Restructured (if any):	
Orig. Closing:	Dec. 31, 2024	Rev. Closing (if any):	

#### 4. Disbursement Summary (million)

Currency:	USD		
a) Committed:	100	b) Cancellation (if any):	
c) Disbursed:	9.969	d) Most recent disbursement: (amount / date)	1.013, Jun. 7, 2021
e) Undisbursed:	90.031	f) Disbursement Ratio(%) <sup>1</sup> :	10

<sup>1</sup> Disbursement Ratio is defined as the volume (i.e. the dollar amount) of total disbursed amount as a percentage of the net committed volume, i.e.,  $f = c / (a - b)$

#### 5. Project Implementation Update

Despite the pandemic-induced disruptions that has happened since effectiveness date, the project manages to make some progress. The PMU is now fully functional with the agreed core personnel deputed from DPHE, out-sourced staff positions are filled, and support consultants are all in place.

Construction works for bulk-water production and treatment facilities are progressing well in 30 municipalities, with some municipalities have reached around 50% physical progress. The PMU is currently developing bidding documents for water supply distribution systems for some municipalities where the procurement for some contracts has been initiated. The PMU has also initiated preparation of critical drainage packages for 8 municipalities, out of which six packages have been tendered.

During virtual mission in April 2021, we learnt that some delays happen in several activities such as preparation of WSS by-laws, the tariff model, and accounting / financial management packages for WSS operations for installation in municipalities. The delay in critical contract package is the procurement of the key Sanitation Support Consultancy (SSC) package that will support the municipalities in the preparation and implementation of municipality sanitation plans including O&M and sustainable septage management models. The mission stressed that development of Sanitation Plans is critical without which the envisaged activities for making improvements across the full chain of Fecal Sludge Management initiatives cannot be carried out. The mission urges DPHE to complete the long pending critical contract award and deployment of Municipal Sanitation Support Consultants by September 16, 2021.

The recent update received is that Bangladesh is going through strict lock-down started from July 1, that may halt the physical works.

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)	N/A	N/A	Procurement of the national-level communication consultancy to develop and implement communication packages in a coordinated manner to be initiated by the PMU.
Component 2: Investment for Water Supply Infrastructure (USD54.68 million)	The construction of bulk water production and treatment facilities is progressing well in the 30 municipalities. In 25 municipalities, construction is at different stages of installation of production tube-wells, treatment facilities and overhead tanks. Contractors are being mobilized in 4 more municipalities and construction work in 1 municipality is awaiting resolution of a pending land transfer.	The social safeguard screening process of the proposed WSS-linked civil works in all 30 municipalities has begun; however, it has been delayed due to lockdown and the delay in hiring a TSU consultant. DPHE will prepare a screening report with currently available information and regularly update the report when new data becomes available. It is reported that screening has been carried out in 13 municipalities that have drainage network plans, and the process will continue for the remaining 17 as well as for the locations of the 30 WFSTF. Moreover, 12 municipalities have purchased private land on a willing buyer willing seller basis, and 2 municipalities obtained them through voluntary donations	Procurement of the 13 large works packages for construction of bulk piped water supply schemes covering 30 municipalities has been completed and all are in contract implementation stage. PMU has developed bidding documents for water supply distribution systems for 2 municipalities and estimates for 18 project municipalities. Tenders will be invited after substantial progress is achieved in the construction of bulk water systems.
Component 3: Improving Sanitation and Drainage (USD30.67 million)	The PMU has progressed with the enlistment of the Local Sanitation Entrepreneurs (LSEs) via the district DPHE offices. The LSEs will be mobilized after the municipal sanitation	N/A	Due to the extra-ordinarily high financial bid of the preferred bidder for the Sanitation Support Consultancy firm, the PMU had to cancel the bid and a new Request for Expressions of Interest was issued after approval by WB

	plans are prepared by the Sanitation Support Consultancy firm and approved by the municipalities, for construction of toilets for poor households.		of revised TORs. The PMU expect the firm to be on board latest by September 2021.
Component 4: Project Implementation and Management Support (USD3.96 million)	PMU has been supported by Technical Support Unit to implement project activities in partnership with the municipalities. The project has initiated awareness generation and activation of the Town Level Coordination Committees (TLCC), preparation of Gender Action Plans, and orientation workshops on social and environmental aspects.	<p>E&amp;S compliance confirmed: PMU has already prepared Environmental Management Plan; Resettlement and Social Management Framework and Small Ethnic Community Planning Framework.</p> <p>PMU carried out two training sessions with consultants and field staff and more trainings will be carried out when lockdown is eased. The Environmental Monitoring Checklists are prepared on a bi-weekly basis and are submitted to the World Bank. Further, the environmental monitoring laboratory data is being collected and will be submitted by July 15th.</p> <p>PMU is expected to submit a quarterly environmental report for Jan-March and Apr-Jun 2021 together by July 15th, 2021. The PMU will select an Assistant Engineer as safeguards focal person by May 7th, 2021.</p> <p>The CEMPs for the 12 work packages following World Banks' comments have yet to be submitted. It is anticipated that the PMU will take measures to complete CEMPs and share them with the World Bank by May 30th, 2021.</p> <p>DPHE will develop a code of conduct for labor and contractors on GBV issues, and a GBV reporting mechanism will be developed before the commencement of construction work. The GAP will guide the preparation of the GBV referral mechanism. In addition, the screening report for toilet improvements will incorporate gender and GBV issues following consultation with beneficiaries before the finalization of the household toilet up-gradation plan and sites.</p>	Key consultancy contract awarded under Component 1. Key technical assistance activities, particularly the procurement of Technical Support Unit was completed.
Component 5: Contingent Emergency Response (USD0 million, n/a)	Provision	N/A	N/A

#### Financial Management:

Financial Management (FM): DPHE has been submitting quarterly IUFs timely. The external audit has been submitted in December 2020 and cleared by WB and AIIB Financial Management Specialists in January 2021. However, the auditor's reported an observation stating that a contract was awarded to a non-responsive bidder with a bid price of BDT 18,83,51,141.85, the Banks and the project team will take appropriate actions to resolve the observation with the auditors by August 31, 2021. In a meantime, a response from the project on audit observation for the FY 2019-20 has been sent on March 23, 2021 to the Chief Engineer for onward submission to the Audit Directorate through the administrative ministry. The total disbursement for the project was US\$ 9.69 million from AIIB as of June 2021. For 2021, US\$12.5 million is estimated to be disbursed, and to date contracts awards are in line with this estimation.

#### 6. Status of the Grievance Redress Mechanism (GRM)

The DPHE has established a GRM for the entire project and constituted a Grievance Redress Committee (GRC) in each selected municipality, with the gender representative memberships specified in the Resettlement and Social Management Framework (RSMF). The GRCs will deal with complaints and grievances about any irregularities in applying the provisions adopted in the RSMF and SECPF and other issues transpiring from the project activities. To ensure impartiality and transparency, hearings on complaints will remain open to the public. In addition, the GRCs will record details of the complaints and the reasons that led to the acceptance or rejection of the cases. DPHE and the municipalities will keep records of all resolved and unresolved complaints and grievances and make them available for review by the World Bank and AIIB. So far no cases has been brought to GRM for resolution.

#### 7. Results Monitoring

Several intermediate indicators results indicators are updated to reflect procurement and physical progress.

Baseline Year: Nov. 27, 2018 End Target Year: Dec. 31, 2024

Project Objective Indicators #1

## People provided with access to improved water sources (gender disaggregated reporting)

Year	Target	Actual	Others, if any
Dec. 31, 2020	600,000	0	

## Project Objective Indicators #2

## People provided with improved sanitation services (gender disaggregated reporting)

Year	Target	Actual	Others, if any
Dec. 31, 2020	750,000	0	

## Project Objective Indicators #3

## Number of pourashavas scoring 50% and above in Performance Assessment Scorecard

Year	Target	Actual	Others, if any
Dec. 31, 2020	30	0	

## Project Objective Indicators #4

## Number of pourashavas with operational water supply systems

Year	Target	Actual	Others, if any
Dec. 31, 2020	30	0	

## Intermediate Result Indicators #1

## Component 1: Sector Support and Capacity Strengthening: Participating Pourashavas with at least 80% cost recovery on operations and maintenance

Year	Target	Actual	Others, if any
Dec. 31, 2020	24	0	

## Intermediate Result Indicators #2

## Component 2: Investment for Water Supply Infrastructure: Number of Pourashavas supplying at least 11 hours of water to customers

Year	Target	Actual	Others, if any
Dec. 31, 2020	20	0	

## Intermediate Result Indicators #3

## Component 2: Investment for Water Supply Infrastructure: Number of Pourashavas supply water of quality in compliance with Bangladesh standards

Year	Target	Actual	Others, if any
Dec. 31, 2020	30	0	

## Intermediate Result Indicators #4

## Component 3: Improving Sanitation and Drainage: Number of Pourashavas with at least 60% improved toilets.

Year	Target	Actual	Others, if any
Dec. 31, 2020	25	0	

## Intermediate Result Indicators #5

Component 3: Improving Sanitation and Drainage: Number of Pourashavas with operational service contracts for emptying septic tanks.

Year	Target	Actual	Others, if any
Jul. 13, 2020	15	0	

## Intermediate Result Indicators #6

Component 3: Improving Sanitation and Drainage: Number of Pourashavas that implement drainage improvements to manage storm water and waste water.

Year	Target	Actual	Others, if any
Dec. 31, 2020	30	2	

## Intermediate Result Indicators #7

Component 4: Project Implementation and Management Support: Percentage of beneficiaries expressing satisfaction over service provision (gender disaggregated)

Year	Target	Actual	Others, if any
Jul. 13, 2020	55	0	

**Remarks:**