

Bangladesh : Rural water, Sanitation and Hygiene for Human Capital Development Project

1. Project Information

Project ID:	P000398	Instrument ID:	L0398A
Member:	Bangladesh	Region:	Southern Asia
Sector:	Water	Sub-sector:	Water supply, sanitation, and wastewater treatment
Instrument type:	<input checked="" type="checkbox"/> Loan:200.00 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:	Ankur Agrawal		
Responsible DG:	Rajat Misra		
Responsible Department:	INF1		
Project Team Members:	Christopher Damandl, Project Counsel; Bernardita Saez, Alternate Counsel; Jurminla Jurminla, OSD - Procurement Specialist; Yogesh Malla, OSD - Financial Management Specialist; Victoria Pimkina, Team Member; Asma Bachikh, Team Member; Victoriano Macasaquit, OSD - Environment & Social Development Specialist; Ankur Agrawal, Back-up PTL; Jinghui Li, Project admin		
Completed Site Visits by AIIB:	Nov, 2021 World Bank and AIIB had a virtual implementation support mission from November 14 to November 24, 2021. Jun, 2022 World Bank and AIIB carried out a joint implementation support mission and visited three sites in the Manikgonj district. DPHE is building public toilets and hand washing stations. In addition, a small piped water system is proposed here. Construction of the public toilets and hand washing stations is already in progress while public consultations are being held for the small piped water system. Generally, it was found to be satisfactory. Jan, 2023 AIIB team along with the World Bank team visited conducted an implementation support mission. Jul, 2023 AIIB team along with the World Bank team conducted an implementation support mission from July 24 to August 2, 2023.		
Planned Site Visits by AIIB:	Feb, 2024 AIIB and the WB are planning a review mission along with site visits in February, 2024.		
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	0		
Previous Red Flags Assigned Date:	2023/06		

2. Project Summary and Objectives

The project has two main objectives - (i) to improve access to 'safely-managed' water supply and sanitation in selected areas of rural Bangladesh; and (ii) to strengthen sector institutional capacity for water and sanitation. The project has six components (a) investments in piped water schemes to support water scarce communities; (b) investments in sanitation and hygiene facilities in priority public locations; (c) strengthening of policies and regulatory framework and capacity building of local institutions; (d) institutional capacity for project implementation and project management; (e) COVID-19 emergency responses by providing quick just-in-time WASH facilities where needed; and (f) Contingent emergency response - provisional zero amount component for reallocation of loan proceeds, if required.

The project will be implemented by two implementing agencies Department of Public Health Engineering (DPHE) and Palli Karma-Sahayak Foundation (PKSF). The implementation period is November 2020 to May 2025.

The total project cost is USD550.5 million which shall be financed AIB loan of USD200 million, World Bank's IDA loan of USD200 million (lead co-financier) and counterpart funds through Government of Bangladesh of USD150.5 million.

3. Key Dates

Approval:	Oct. 16, 2020	Signing:	Feb. 18, 2021
Effective:	May. 11, 2021	Restructured (if any):	
Orig. Closing:	Nov. 20, 2025	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	57.36	Latest disbursement (amount/date):	15.15/Dec. 20, 2023
Undisbursed:	142.64	Disbursement Ratio (%) ¹ :	28.68

5. Project Implementation Update

Implementation update for DPHE executed part: Implementation of awarded packages have progressed in this period. Out of 91 works packages, contracts have been awarded for 59 packages. Works under 19 packages will be completed by Q1CY24. The average physical progress under Component 1 (Investment in small piped water schemes only) is 41.5%, 30% under Component 2 (Investment in sanitation and hygiene) , and 53% under component 5 (Covid-19 emergency response).

Implementation update for PKSF executed part: All major Services and Goods contracts have been executed. PKSF has been disbursing loans at a field level since January 2022. A total of 32,646 household water facilities have been installed/upgraded and 114,855 safely managed toilets have been constructed through PKSF loans.

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.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Investments in water supply	<p>For DPHE, the physical construction works are going on under the small piped water supply scheme under 29 procurement packages. For large- piped water supply component, 120 pre-feasibility reports have been completed out of which detailed feasibility study is being done for 80 schemes. Field survey for about 50 schemes have already been completed. The contracts under this sub-component are expected to be awarded in H2CY24.</p> <p>PKSF has been doing field level activities since January 2022. A total of 32,646 Water supply facilities have been constructed through PKSF loans. PKSF has also extended microfinance credit to 54 local water entrepreneurs.</p>	<p>Based on the Environmental and Social Management Framework (ESMF), the site-specific Environmental and Social Management Plan (ESMP) has been prepared to mitigate and minimize the adverse impacts.</p> <p>24 safeguard reports were completed that include 1069 screening forms for small-piped water schemes.</p>	<p>Out of 30 packages, construction works are ongoing in 29 packages while the remaining one is being re-tendered.</p>
Component 2: Investments in sanitation and hygiene	<p>DPHE is implementing this component under 30 works packages. Overall physical progress under the component is about 30%. Out of 352 public toilets and 500 sanitation and hygiene facilities in community clinics allocated under this component, 127 public toilets and 141 sanitation and hygiene facilities in community clinics have already been completed while construction under the rest is ongoing.</p> <p>PKSF has extended</p>	<p>24 safeguard reports were completed that comprise of 1563 screening forms for sanitation packages.</p>	<p>All 30 packages have been tendered and the construction works are ongoing under all the packages.</p>

	loans for construction of 114,858 safely managed sanitation and hygiene facilities at household level. Further, MFI loans have been extended to 163 local sanitation entrepreneurs.		
Component 3: Institutional strengthening	The TA firm for BCC campaign, and for training and capacity building of local government institutions has been onboarded. 6 Orientation courses for the representatives of Upazila committee members have been completed. 18 Capacity Building Training for two half-days have also been completed.	N/A	The tender for consulting firm for capacity building and institutional strengthening has been completed and has been onboarded.
Component 4: Project implementation and management	DPHE: Seven individual consultants are onboard to support the PMU. PKSF: 16 individual consultants are onboard to support the project implementation.	The E&S Team of PMU organized training sessions on Environmental and Social Screening for DPHE staff in 22 working districts. The session was attended by 150 participants who gained a comprehensive understanding of the screening process through practical exercises. A total of 27 district orientation meetings were organized, with 1495 participants from various positions.	Four out of 11 goods packages for PMU have been completed and the PMU will gradually procure other packages as and when required. PKSF: The procurement of a firm for providing technical assistance to develop digital reporting system for PKSF has been completed.
Component 5: COVID-19 emergency response	DPHE is providing emergency WASH services in 20 upazilas in 12 districts. All 12 packages have been tendered in 2022 and the construction work has been ongoing. Overall physical progress is around 53%	All sites have been screened for potential environment and social issues.	Out of 12 packages, construction is going on under 11 packages while one package is being re-tendered.
Component 6: Contingent emergency response	N/A	N/A	N/A

Financial Management:

The audit for FY2021-22 has been completed and there were no significant audit observations. The Officer of the Comptroller and Auditor General of Bangladesh will conduct project audit for DPHE part for the year 2022-2023 which is due by December 31, 2023.

6. Status of the Grievance Redress Mechanism (GRM)

The project established Grievance Redress Mechanism (GRM) at the central, district, upazila, and union levels to receive and evaluate concerns and complaints related to the project's environmental and social performance. As of September 2023, 20 district-level, 36 upazila-level, and 233 union-level Grievance redressal Committees (GRCs) were formed for DPHE part. Similarly, for PKSf part 72 GRCs are operational. Efforts are being made both to spread awareness about the GRM through distribution of leaflets in the construction areas and through awareness sessions.

Both DPHE and PKSf has PMU staff to receive and address grievances. The escalation matrix to the Project Director/Project Coordinator also exists. PKSf has received four grievances till date mainly related to the location of the toilet in the household and each of which have been resolved.

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

Remarks:

Result achievement is behind schedule as the overall project implementation is lagging behind schedule.

Project Objective Indicators	Indicator level	Unit of Measure	Cumulative Target Values															Frequency	Responsibility	Comments		
			Baseline		2020		2021		2022		2023		2024		2025		End Target					
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target				Actual	Year
The number of people provided with access to 'safely-managed' water services (gender disaggregated indicator).	Project	Number	2020	0	0	0	0	0	50,000	0	100,000	316	300,000		589,680		2025	589,680		Quarterly	DPHE	
The number of people provided with access to 'safely-managed' sanitation services (gender disaggregated indicator).	Project	Number	2020	0	0	0	30,000	0	200,000	152,783	1,000,000	523,300	2,000,000		3,618,900		2025	3,618,900		Quarterly	DPHE and PKSF	
# of Upazilas that established and are using the monitoring system.	Project	Number	2020	0	0	0	10	0	20	0	40	0	78		78		2025	78		Quarterly	DPHE	

Project Intermediate Indicators	Indicator level	Unit of Measure	Cumulative Target Values															Frequency	Responsibility	Comments		
			Baseline		2020		2021		2022		2023		2024		2025		End Target					
			Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target				Actual	Year
Amount of MFI financing mobilized (in BDT)	Project	Number	2020	0	0	0	0	0	1,000,000,000	188,446,758	3,000,000,000	999,382,958	7,000,000,000		12,190,000,000		2025	12,190,000,000		Quarterly	PKSF	
The number of handwashing stations built with running water and soap available	Project	Number	2020	0	0	0	50	0	1,000	20,050	100,000	309,600	300,000		763,000		2025	763,000		Quarterly	DPHE	
% of water quality tests that meet national standards	Project	Percentage	2020	0	0	0	0	0	0	0	50	43.61%	80		80		2025	80		Quarterly	DPHE	

% of households paying their water tariffs on time (i.e. collection efficiency rate)	Project	Percentage	2020	0	0	0	0	0	0	0	50	0	70	80	2025	80	Quarterly	DPHE
% of community water management committees whose chair is woman	Project	Percentage	2020	0	0	0	0	0	10	0	20	30%	30	30	2025	30	Quarterly	DPHE
% of piped water schemes using solar photovoltaic (PV) as their main energy source	Project	Percentage	2020	0	0	0	0	0	0	0	5	0	10	10	2025	10	Quarterly	DPHE
# of LEs trained on 'safely-managed' WASH infrastructure	Project	Number	2020	0	0	0	0	0	100	890	500	2175	1,000	2,340	2026	2,340.00	Quarterly	PKSF
The number of policy documents under the National Strategy for Water Supply and Sanitation adopted or endorsed	Project	Number	2020	0	0	0	0	0	1	0	2	2	2	4	2026	4	Yearly	DPHE
# of public officials at the local level (Upazilas, UPS, health workers) trained	Project	Number	2020	0	0	0	100	0	10,000	0	5,000	10,000	18,600	2026	14,718	Quarterly	DPHE	