

ASIAN DEVELOPMENT BANK

CSP: BAN 2004-12

**COUNTRY STRATEGY AND PROGRAM UPDATE
2005–2006**

BANGLADESH

August 2004

CURRENCY EQUIVALENTS

(as of 31 July 2004)

Currency Unit	–	taka (Tk)
Tk1.00	=	\$0.017
\$1.00	=	Tk59.23

ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
ADTA	–	advisory technical assistance
CSP	–	country strategy and program
CSPU	–	country strategy and program update
FY	–	fiscal year
GDP	–	gross domestic product
IMF	–	International Monetary Fund
JBIC	–	Japan Bank for International Cooperation
MDGs	–	millennium development goals
MFA	–	Multi-Fiber Arrangement
NCB	–	nationalized commercial bank
NLTP	–	National Land Transport Policy
NGO	–	nongovernment organization
OCR	–	ordinary capital resources
PBA	–	performance-based allocation
PCR	–	project completion report
PPTA	–	project preparatory technical assistance
PRS	–	poverty reduction strategy
SAARC	–	South Asian Association for Regional Cooperation
SASEC	–	South Asia Subregional Economic Cooperation
SME	–	small- and medium-sized enterprise
TA	–	technical assistance
UNDP	–	United Nations Development Programme

NOTES

- (i) The fiscal year (FY) of the Government ends on 30 June.
- (ii) In this report, "\$" refers to US dollars.

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I. CURRENT DEVELOPMENT TRENDS AND ISSUES

A. Recent Political and Social Developments

1. Political confrontations have intensified as the country enters the third year of the alliance government led by the Bangladesh Nationalist Party (BNP). After a long boycott, the major opposition party (Awami League) has recently joined the Parliament. Although the frequency of *hartals* (general strikes) has declined, they continue to impede the process of economic growth in the country. The Government has adopted several measures to improve the law-and-order situation, but progress to date has been limited. Rebuilding a consensus between the ruling and opposition political parties on issues of national importance is critical to sustain reform momentum, improve credibility and hence accelerate growth and poverty reduction.

2. Between 1991/92 and 2000, the national poverty incidence fell from 59% to 50%, one of the fastest rates of decline recorded worldwide. Despite considerable progress, poverty is far more extensive in rural than in urban areas. However, real agricultural wages, which are a good proxy for living standards, increased from Tk24 per day in 1991 to Tk27 per day in 2000, and further to Tk29 per day in 2002. In 2003, for the first time, the United Nations Development Programme (UNDP) put Bangladesh in the medium human development league, along with its neighbors—Bhutan, India, and Sri Lanka.

B. Economic Assessment and Outlook

3. Macroeconomic performance in fiscal year (FY) 2003 was broadly positive. Gross domestic product (GDP) growth rose to 5.3% from 4.4% in FY2002 (Appendix 1, Table A1.2). The budget deficit declined to 4.2% of GDP from 4.6% of GDP in FY2002 due to an increase in revenue and pruning of expenditures. Higher food prices in 2003 caused a modest increase in inflation, with consumer prices rising by 4.4% in June 2003 compared with 2.8% in June 2002. In FY2003, exports and imports reversed their contraction of FY2002 to increase by 9.5% and 13% respectively. The widening trade deficit was offset by a strong 22% growth in overseas workers' remittances, helping the current account of balance of payments to record a surplus of 0.5% GDP. Foreign exchange reserves strengthened to \$2.5 billion at end-June 2003 from \$1.6 billion at end-June 2002.

4. The GDP growth rate is estimated at 5.5% in FY2004, driven by the steady growth in the agriculture and industry sectors, reflecting further recovery of both domestic and external demands. Despite a shortfall in targeted revenue, the budget deficit is estimated to remain at 4.2% of GDP, mainly due to underperformance in development spending. In FY2005, the budget deficit is projected to rise somewhat to 4.3% of GDP. Export-oriented manufacturing continued to show signs of expansion, and steady growth in overseas workers' remittances has improved the current account of the balance of payments. Notwithstanding an increase in the trade deficit, the balance of payments remains healthy and foreign exchange reserves, at \$2.7 billion as of end-June 2004, provide ample cushioning for external shocks. The rising trend in food prices has been contained with inflation declining from 6.7% in November 2003 to 5.6% in May 2004.

C. Implications for Country Strategy and Program

5. Macroeconomic and sector reforms have contributed to the economy's buoyant performance. The taka has been successfully floated, and exchange rate movement has helped

signal competitive allocation of resources. The Government has embarked on an ambitious program to reform the banking sector. In other sectors, the Government is setting up an independent anticorruption commission, preparing to adopt a multi-modal transport policy, and implementing a national water management plan. The energy regulatory commission has come into operation. Sound macroeconomic management, structural and sector reforms, and political stability are crucial for implementing the country strategy and program (CSP), which aims to assist the Government in consolidating and advancing the reform process, improving the investment climate, and moving the economy to a higher growth path.

II. IMPLEMENTATION OF THE COUNTRY STRATEGY AND PROGRAM

A. Progress in Poverty Reduction

6. Bangladesh has made substantial progress in improving its human development indicators, particularly with regard to raising primary school enrollment, reducing the gender disparity in primary schools, widening immunization coverage, reducing infant and child mortality, and limiting population growth. Progress in these areas can be explained by broad-based growth, a pro-poor bias in public expenditures and strong involvement of nongovernmental organizations (NGOs) and community-based organizations in providing services that effectively reach the poor.

7. The Government's interim poverty reduction strategy (PRS) completed in 2003 accords high priority to human development, especially to improving access to health and education, and to fostering gender equality. The interim PRS includes a set of poverty reduction targets and social development goals that are consistent with the millennium development goals (MDGs) (Appendix 1, Table A1.1). These are, by contrast, relatively modest as compared with those set out in the poverty partnership agreement signed with Asian Development Bank (ADB) in 2000. To transform the interim PRS into a full PRS by end-2004, the Government has established 13 thematic groups to refine sector strategies. ADB's new CSP, now in preparation, will build on the PRS, and will be completed in early 2005. The new CSP will be a results-based one, and will contain detailed sector and thematic strategies and plans as set out in the PRS. Monitoring and measuring the progress toward MDGs is an integral part of the PRS. ADB through technical assistance (TA) support is assisting in capacity building for poverty monitoring and evaluation under the PRS.

B. Progress in the Country Strategy and Program Focus Areas

1. Governance

8. Weak governance continues to impede development in Bangladesh. ADB's recently completed governance assessment reaffirmed the need to improve governance including curbing corruption, improving law and order and human security, and building local government capacity. Parliament, on 18 February 2004, passed the Independent Anticorruption Commission Bill, which provides for the establishment of an autonomous anticorruption commission. A National Committee on Corruption Prevention would coordinate efforts to prevent corruption in line ministries, and a comprehensive anti-corruption strategy is being developed. Thanks to steady progress in key sector reforms (i.e., in energy, transport, financial, and social sectors), some progress has been made in improving sector governance and in building local government capacity.

9. In addition to the support for establishment of an independent anticorruption commission, ADB's main contribution has been in reforming governance practices in specific sectors. Building on in-depth understanding and long-standing support in key sectors, ADB has been able to foster incremental improvement in sector governance, an approach that complements well governance reforms supported by the World Bank and bilateral funding agencies. While ADB will continue to support governance reforms in key sectors, scope exists for ADB to strengthen its support for anti-corruption initiatives, to extend support for implementation of public administration reforms including training of civil servants, and to facilitate access of the poor to justice through judicial, law enforcement, and police reforms. The new CSP will examine the potential to expand the scope of governance assistance beyond sector-based reforms.

2. Private Sector Development

10. ADB's recently completed private sector assessment and consultation with representatives of the private sector revealed that numerous constraints to private sector development remain. These include: political conflict, port bottlenecks, erratic energy supply, weak regulatory and judicial systems, limited communications and transport infrastructure, a shallow financial sector, and competitiveness challenges in the key garments sector posed by the impending Multifiber Arrangement (MFA) phase-out. While the legal and regulatory policy is generally favorable for private sector development, there is a wide gap between policy and implementation.

11. ADB's operations will continue to focus on improving the climate for private sector development. The ongoing and planned assistance is helping the Government in promoting small and medium enterprise development, in facilitating and soliciting private sector participation in port, railway, natural gas, and power projects; and in providing education and urban primary health care services that are complementary to public sector investments.

3. Gender and Development

12. While progress has been seen in women's empowerment, ADB's recent gender assessment revealed that severe gender disparities persist in both human and income poverty. Trafficking of women and children as well as gender-related violence are major concerns. Another key issue is the likelihood that a large number of female workers in the garments industry may face retrenchment after the expiry of MFA at end-2004. Promoting women's advancement is one of the five pillars of the Government's interim PRS. ADB has been mainstreaming gender concerns in all operations and in policy dialogue. Key areas of ADB support for promoting gender equality will be (i) increasing the return on women's labor through improving their access to productive resources and skills development, (ii) strengthening the capacity of institutions to facilitate women's participation in decision-making processes, and (iii) providing social protection to women who are vulnerable to economic and social shocks. Specific components will continue to be included in various ADB-assisted projects so as to ensure social protection of the vulnerable and victims, and to build government capacity at various levels to address issues of violence against women, human trafficking and dowries.

4. Regional Cooperation

13. The successful conclusion of the 12th South Asian Association for Regional Cooperation (SAARC) Summit in January 2004 vastly improved prospects for subregional cooperation in South Asia. Bangladesh is strengthening its efforts to foster regional cooperation as evidenced

in the recently concluded third meeting of the trade, investment, and private sector cooperation working group and the second meeting of the South Asia Business Forum held in Dhaka under the ADB-assisted South Asia Subregional Economic Cooperation (SASEC) program. Thanks to its strategic geographic location, close cultural and historical ties, and economic complementarities, Bangladesh is well-positioned to benefit from subregional cooperation. In this context, ADB will support Bangladesh's efforts to foster regional cooperation by assisting the Government to reform the external trade regime, through active participation in ongoing SASEC and other subregional cooperation initiatives, and by establishing an integrated subregional transport and energy network to enhance Bangladesh's position as a transport and transshipment hub and a transit country for emergencies in the subregion.

5. Sector Priorities

a. Agriculture and Natural Resources

14. Diversification and intensification of the crops subsector will be essential to boost agricultural productivity and to foster rural nonfarm enterprise development. Transforming agriculture from subsistence to a commercial orientation, and promoting agribusiness development through private and public partnership, will be instrumental in improving the livelihood of 76% of the country's population (and 85% of the poor). The Government's interim PRS also highlights accelerated rural infrastructure and local governance improvement as an integrated approach to encouraging rural industrialization. The 2004–2006 pipelines contain both loans and TAs to support crop diversification, agribusiness development, key rural infrastructure improvement, and water resources management. The National Water Management Plan, approved by the Government in March 2004, will guide the country's water resources management and ADB's operational focus, particularly ADB support for institutional reforms in the water sector. The Government, with ADB support, has recently completed a fisheries study and a forestry sector review, the findings of which will be reflected in the new CSP.

b. Social Sectors

15. Assisted by ADB and other development partners, a full sector-wide approach has been adopted to reform primary education, focusing on quality improvement through better governance, management reform, and introduction of key performance indicators. Policy reforms aim to improve quality and efficiency in secondary education, including introduction of a school-based assessment system on a pilot basis, a performance-based school subvention system, and establishment of a teacher recruitment and certification authority. In health, ADB will concentrate on urban primary health care guided by the Government's health, nutrition, and population development framework, including building local government capacity, to deliver high-quality services to the urban poor, particularly women and children, in partnership with NGOs. To complement assistance by other development partners, ADB will continue to address key human related issues, e.g., trafficking, child labor and HIV/AIDS, through mainstreaming these in its various lending programs. ADB will also assist the Government to tackle arsenic contamination by incorporating arsenic mitigation activities within its programs for promoting more effective health care provision, safe water supply and sanitation, and an arsenic-free agricultural environment.

16. ADB's medium-term emphasis in urban development will remain on developing secondary towns. The focus will be on decentralizing and strengthening local government, improving financial revenue generation, supporting the involvement of communities and the

private sector in urban services, improving living conditions for the urban poor, and addressing urban environmental issues.

c. Finance

17. The financial sector is characterized by weak governance, poor asset quality, capital inadequacy, an ineffective legal and judicial framework, and poor accounting and auditing practices. The capital markets have ineffective market supervision, limited capacity of major market players, inadequate supply of capital market instruments, inadequate transparency, and slow development of market infrastructure. As a result, there is a low level of investor confidence in the financial markets. Recently, the Government embarked on an ambitious program to overhaul the banking sector with the assistance of the International Monetary Fund (IMF) and the World Bank. Progress in banking sector reforms will help revive the capital market. ADB, in coordination with IMF and the World Bank, would focus its future assistance on developing institutional sources of funds that are professionally managed and that could effectively pool funds of retail investors. This will help strengthen the current system of intermediation by promoting competition and leveling the playing field, and enhance financial market governance by helping build the institutional foundations for prudentially sound, stable and sustainable development of the sector. Subject to Government commitment to further reforms, the new CSP will examine the potential to strengthen ADB assistance in the sector.

d. Physical Infrastructure

18. Infrastructure deficiencies, including gas, power, ports, railways, and strategic national highways, are major impediments to the country's economic development. Land and seaport inefficiencies, in particular, hinder the country's international trading links. Bangladesh's exports would likely earn more if inefficiency and corruption in the management of the seaports were eliminated. Corruption, coupled with inefficient management practices, is a key reason for the low levels of operational efficiency of the infrastructure network. The central policy challenge is to redefine the role of the public sector from service provider to regulator, and to increase reliance on private sector participation in the provision and management of economic infrastructure and services. The joint study by ADB and the Government of Japan on Economic Growth and Poverty Reduction in Bangladesh in 2003/2004 further underlines the key policy reforms that are needed to remove infrastructure deficiencies and improve the quality of infrastructure services.

19. The Government has developed road maps of policy and institutional reforms in energy and transport, including further restructuring and unbundling of power sector operations, allowing full autonomy to gas sector entities, restructuring the Roads and Highways Department, introducing a road maintenance fund, reorganizing Bangladesh Railway, and introducing private participation in capacity expansion and the management of Chittagong port. Following the enactment of the Energy Act in March 2003, the Energy Regulatory Commission has come into operation. A revised Railway Act is being finalized with wider stakeholder participation, and Bangladesh Railway is being given increased managerial autonomy and more accountability. In this context, the Government with ADB support is preparing a medium-term reform program for Bangladesh Railways for the next 10 years. The reform measures for the first three years of this program will be implemented as part of the Railway Sector Development Project being processed in 2004. The National Land Transport Policy (NLTP), approved by the Government in April 2004, lays the foundation for institutional reforms and integrated development of the road and railway transport subsectors. A Multi-modal Transport Policy is

being developed to include other modes of transport and represents another step toward the development of a multi-modal transport system.

20. Sector reforms in transport and energy are complex but critical to assist Bangladesh exploit its position as a sub-regional transport hub. Combining incremental reforms with sector investment is a strategy appreciated by the Government. The 2004–2006 pipelines contain both loans and TAs to assist the Government further the agenda for transport and energy reform.

C. Highlights in Coordination of External Funding and Partnership Arrangements

21. ADB has been cooperating closely with the other development partners to support the Government's thematic groups for PRS formulation. ADB chairs the local consultative group subgroups for energy, transport, project implementation, and the urban sector, and coordinates with other development partners to provide input into the Government's thematic group for infrastructure development and reforms. ADB is represented on all other local consultative group subgroups (a total of 22) and actively contributes to policy dialogue, especially on matters related to governance, macroeconomic policy, education, and health. Regular consultations with IMF and the World Bank have been maintained. Recent program support by the World Bank complements ADB's assistance on key sector reforms especially in the energy and transport sectors.

22. At the project level, following the sector-wide approach in primary education, ADB is ready to coordinate with other development partners in formulating investment projects in areas where it has been leading sector reforms. Of immediate relevance are ADB's proposed projects during 2004-2006 to support education, health, energy, transport, small and medium-size enterprises, and the financial sector, where coordinated efforts with other development partners will be required to advance the reform agenda. As a part of the development partners' joint initiative to manage development results, ADB is assisting the Government to streamline its project documentation and approval procedures, which currently constitute a key reason for project start-up delays. A joint country portfolio performance review was conducted with the Japan Bank for International Cooperation (JBIC) and the World Bank to address other generic issues related to project implementation, and to support harmonization of development partners' operations.

III. PORTFOLIO MANAGEMENT ISSUES

A. Portfolio Performance

23. As of 31 December 2003, ADB's total commitment to Bangladesh comprised 152 public sector loans for \$7.21 billion and 285 TAs for \$152.17 million. There were 30 ongoing public sector loans (for 25 projects) valued at \$2.13 billion. At that date, 6.7% of the portfolio was considered "at risk" compared with the ADB-wide average of 14.5%. This is an improvement over the portfolio performance of 2002 when 17.1% of projects were considered at risk. However, contract award and loan disbursement ratios (11.7% and 15.8%, respectively) in 2003 were below the ADB-wide averages (17.3% and 20.2%) largely due to project start-up delays (Appendix 1, Table A1.7). Actual contract awards and disbursements in 2003 were \$133.2 million and \$201.7 million, respectively, with achievements of 64% and 99%, respectively, of the annual projections.

B. Performance Monitoring and Evaluation

24. The Government has taken several key steps to address project start-up delays. Some progress has already been made in streamlining project documentation. Further progress is being made in enhancing transparency and efficiency in procurement following implementation of the 2003 Public Procurement Regulations. The Government has issued several key documents including procurement procedures and standard bidding documents.

25. In FY2003, to support the Government's general efforts to improve sector governance and to combat project-related corruption, ADB, in coordination with the foreign aided projects audit directorate, conducted eight workshops for 251 project staff from 23 ADB-assisted project offices on project accounting, financial governance and management, internal control, and audit. Quality and timeliness of audit reports of project accounts have improved substantially; the number of audit observations was reduced as many were clarified at field level. Assisted by ADB, the Government is also working to address resettlement issues, which adversely affect project progress in the transport sector. Recommendations made in six project completion reports (PCRs), four project performance audit reports, and one Country Assistance Program Evaluation completed by ADB during 2002-2003 are being addressed through follow-up with concerned government agencies.

IV. COUNTRY PERFORMANCE AND ASSISTANCE LEVELS

A. Proposed Lending Level

26. In 2004, the base case Asian Development Fund (ADF) allocation scenario is applied following assessment of country performance. Macroeconomic management continues to improve. Recent structural and sector-specific reforms are encouraging, though overall portfolio performance needs considerable improvement. In 2004, the resulting base allocation of ADF for Bangladesh is \$200 million. The 2004 lending level is being updated on a continuing basis to reflect further developments in ADF resource availability. The ADF allocations for the 2005-2006 lending program are indicative planning figures, and will be subject to revision based on the revised performance-based allocation policy, which is expected to be finalized later in 2004. Based on the findings of ADB's study on Bangladesh's borrowing capacity, a 3-year ordinary capital resources (OCR) allocation of \$750 million (i.e., \$250 million per annum) is considered during 2004-2006, taking into account (i) positive impact of ADB OCR operations on economic growth in general and on Bangladesh's external position in particular, (ii) the availability of counterpart funds, and (iii) the country's overall debt service capability to absorb OCR resources. In line with government strategy, OCR lending will be largely used to reduce the nation's reliance on costly supplier's credit in energy and transport infrastructure improvement, which in turn will directly contribute to economic growth.

27. The lending program for 2005-2006 concentrates on fewer sectors reflecting ADB's comparative strengths, strong commitment of the Government to reforms, results-based programming focusing on improving portfolio management, and complementarity with other development partners. The firm lending program for 2005-2006 consists of 12 projects totaling \$990 million (comprising \$440 million ADF and \$550 million OCR) (Appendix 1, Table A1.10). The annual average lending comes to \$495 million (including \$220 million ADF) compared with the annual average lending of \$402 million (including \$230 million ADF) programmed in the 2003 country strategy and program update (CSPU). The program accommodates several thematic priorities in terms of loans and TAs, including promotion of the private sector, good governance, gender and development, and regional cooperation.

B. Nonlending Program

28. The TA program for 2005-2006 contains 17 TAs for an annual allocation of \$5 million for ADB financing, of which 10 are project preparatory technical assistance (Appendix 1, Table A1.11). The TA program in each year may need to be prioritized in line with the annual TA indicative planning figure for Bangladesh. Given declining ADB TA funds and the Government's pressing need for assistance in both project preparation and institutional capacity building, the Government has agreed to utilize loan funds to prepare large and complex infrastructure projects in the energy and transport sectors in future. Hence, more TA funds could be made available for institutional support for key sector reforms and for promoting public-private partnership in infrastructure development. ADB would continue to mobilize co-financing from other development partners to fill in the funding gap. Several economic, thematic, and sector work has been included to update ADB's operational focus.

C. Summary of Changes to Lending and Nonlending Program

29. The Gas Sector Development Project that slipped from 2003 is included as standby in 2004 and firm in 2005. Regional Rail Traffic Enhancement is advanced from 2005 to 2004 and renamed as the Railway Sector Development Project, reflecting Government priorities and recent reform progress in the sector. The Southwest Area Integrated Water Resources Management is deferred from 2004 to 2005 due to start-up delays of the PPTA. The Financial Markets Governance Improvement TA loan is deferred from 2004 to 2005 and reformulated to help the Government develop institutional sources of funds, strengthen financial intermediation, and improve financial markets governance. Power Sector Development Program II is advanced from 2006 to 2005 reflecting government priorities and commitment to further sector reforms. Secondary Towns Water Supply and Sanitation is made a standby in 2005 and firm in 2006 to allow ample time to consider lessons learned from the previous project. The Clean Fuel Development Project II is deferred from 2005 to 2006 due to long start-up delays of the ongoing Dhaka Clean Fuel Project. Integrated Flood Erosion and Mitigation Management Project is changed from firm to standby in 2006, reflecting the progress of the ongoing project. Rural Infrastructure Improvement II is included in 2006, reflecting government priorities and the executing agency's capacity for project design and implementation. Land Administration Reform project is dropped from the 2005 pipeline. The Government is pilot testing cost-effective methods to pursue reforms in the sector.

30. Changes to nonlending pipelines essentially encompass adjustments in the timing of the TAs, reflecting the performance of earlier ADB-financed projects in the respective sectors. In addition, a PPTA for the Gas Sector Development Project is included in 2004 to update project design and sector reforms. The PPTA for Road Sector Development is dropped from the 2004 pipeline and an advisory technical assistance (ADTA) to provide support to the Roads and Highways Department for Safeguard Policy Compliance is included in 2004 instead, to address issues that have been identified as among the key reasons for slow implementation progress of ongoing road projects. An ADTA for Support for Good Governance Initiatives II is included in 2005, to strengthen the ongoing ADB-assisted governance reforms. The PPTA for Post-Literacy and Continuing Education II is dropped from 2006 given recent institutional changes in the sector.

31. For reference, the 2004 assistance program for lending products and the 2004 assistance program for nonlending products and services are provided in Table A4.1 and Table A4.2, respectively.

COUNTRY AND PORTFOLIO INDICATORS, AND ASSISTANCE PIPELINE

Table A1.1: Progress Toward the Millennium Development Goals and Targets

Goals and Targets	Country Status
<p>Goal 1: Eradicate Extreme Poverty and Hunger</p> <p>Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than \$1/day.</p> <p>Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.</p>	<p>Good progress in poverty reduction has been made, with poverty rates declining from 59% to 50% over the last decade, but achieving the target by 2015 remains a major challenge.</p> <p>Hunger is no longer a major problem. Efforts are needed to increase agricultural productivity and sustain foodgrain self-sufficiency. Child malnutrition declined by 18 percentage point over the past decade, but a significant challenge remains as close to 48% of children are still stunted or underweight.</p>
<p>Goal 2: Achieve Universal Primary Education</p> <p>Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.</p>	<p>Significant progress has been achieved. The gross enrollment rate has increased to 97% and the primary school completion rate has increased to 68%, but high dropouts rates and poor quality education remain major issues to be addressed.</p>
<p>Goal 3: Promote Gender Equality and Empower Women</p> <p>Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015.</p>	<p>The enrollment gap between male and female students has closed in primary education.</p>
<p>Goal 4: Reduce Child Mortality</p> <p>Target 5: Reduce by two thirds, between 1990 and 2015, the under-5 mortality rate.</p>	<p>There was a drop in the infant mortality rate from 96 per 1,000 live births in 1990 to 51 in 2001.</p>
<p>Goal 5: Improve Maternal Health</p> <p>Target 6: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio.</p>	<p>Although improved, at 280 per 100,000 live births, the maternal mortality ratio is among the highest outside Sub-Saharan Africa.</p>
<p>Goal 6: Combat HIV/AIDS, Malaria, and Other Diseases</p> <p>Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS.</p> <p>Target 8: Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.</p>	<p>HIV rates are relatively low. Prevalence of tuberculosis is still relatively high.</p> <p>Cholera and malaria have been eliminated to a large degree. Major challenges remain to break the cycle of waterborne diseases.</p>

Goals and Targets	Country Status
<p>Goal 7: Ensure Environmental Sustainability</p> <p>Target 9: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.</p> <p>Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water.</p> <p>Target 11: By 2020, achieve a significant improvement in the lives of at least 100 million slum dwellers.</p>	<p>Considerable progress has been achieved. However, rapid urbanization, water contamination, and endangered biodiversity pose new challenges.</p> <p>Considerable progress has been made. The population with access to safe water increased to 97% in 2000. Arsenic contamination threatens the gains achieved.</p> <p>Considerable efforts are being made in improving the quality of life of slum dwellers through intervention of integrated programs and providing health and education facilities and microcredit assistance for income-generating activities.</p>

HIV/AIDS = human immunodeficiency virus/acquired immunodeficiency syndrome.

Sources: Asian Development Bank and World Bank.

Table A1.2: Country Economic Indicators

Item	Fiscal Year				
	1999	2000	2001	2002	2003
A. Income and Growth					
1. GDP per Capita (\$, current)	362.0	368.0	362.0	361.0	389.0
2. GDP Growth (% , in constant prices)	4.9	5.9	5.3	4.4	5.3
a. Agriculture	4.8	7.4	3.1	0.0	3.1
b. Industry	4.9	6.2	7.5	6.5	7.3
c. Services	5.2	5.5	5.5	5.4	5.4
B. Saving and Investment (current and market prices, % of GDP)					
1. Gross Domestic Investment	22.2	23.0	23.1	23.2	23.4
2. Gross National Saving	22.3	23.1	22.4	23.4	24.5
C. Money and Inflation (annual change)					
1. Consumer Price Index ^a	7.1	2.8	1.9	2.8	4.4
2. Total Liquidity (M2)	12.8	18.6	16.6	13.1	15.6
D. Government Finance (% of GDP)					
1. Revenue	9.0	8.5	9.0	10.1	10.4
2. Expenditure and Onlending	13.8	14.7	14.0	14.8	14.5
3. Overall Fiscal Surplus (deficit)	(4.8)	(6.2)	(5.0)	(4.6)	(4.2)
E. Balance of Payments					
1. Merchandise Trade Balance (% of GDP)	(4.2)	(4.0)	(4.3)	(3.7)	(4.3)
2. Current Account Balance (% of GDP)	(1.5)	(1.1)	(2.3)	0.4	0.5
3. Merchandise Export (\$) Growth (annual % change)	3.5	7.9	12.6	(7.6)	9.5
4. Merchandise Import (\$) Growth (annual % change)	6.6	4.8	11.4	(8.7)	13.0
F. External Payments Indicators					
1. Gross Official Reserves (including gold, \$ million)	1,523.3	1,602.1	1,306.7	1,582.9	2,469.6
Weeks of current year's imports of goods)	9.9	9.9	7.3	9.4	13.3
2. External Debt Service (% of exports of goods and services)	8.9	9.3	8.2	8.6	7.8
3. Total External Debt (% of GDP)	33.6	33.5	31.7	34.0	32.6
G. Memorandum Items					
1. GDP (current prices, Tk billion)	2,197.0	2,370.9	2,535.5	2,732.0	3,005.8
2. Exchange Rate (Tk/\$, average)	48.1	50.3	54.0	57.4	57.9
3. Population (million) ^b	126.3	128.1	129.9	131.6	133.4

GDP = gross domestic product.

^a Annual % change (period average).

^b Except for 2001 (population census year 2001), the population figures are estimates.

Sources: Bangladesh Bank, Ministry of Finance, World Bank, and Bangladesh Bureau of Statistics.

Table A1.3: Country Poverty and Social Indicators

Item	Period					
	1985	1990	Latest Year			
A. Population Indicators						
1. Total Population (million)	97.5	109.6	133.4	(2003)		
2. Annual Population Growth Rate (% change)	2.1	1.9	1.4	(2003)		
B. Social Indicators						
1. Total Fertility Rate (births/woman)	4.7	4.3	2.6	(2001)		
2. Maternal Mortality Rate (per 100,000 live births)	—	478.0	280.0	(2001)		
3. Infant Mortality Rate (below 1 year/1,000 live births)	112.0	96.0	51.0	(2001)		
4. Life Expectancy at Birth (years)	55.0	56.0	60.5	(2001)		
a. Female	56.0	56.7	60.9	(2001)		
b. Male	55.0	56.5	60.1	(2001)		
5. Adult Literacy (%)	33.0	37.0	54.8	(2002)		
a. Female	—	23.0	48.9	(2002)		
b. Male	—	47.0	60.3	(2002)		
6. Primary School Gross Enrollment (%)	63.0	77.0	97.3	(2002)		
7. Secondary School Gross Enrollment (%)	17.0	19.0	44.7	(2002)		
8. Child Malnutrition (% below age 5)	70.0	66.0	48.0	(2001)		
9. Population Below Poverty Line (%)	—	—	—			
10. Population with Access to Safe Water (%)	—	80.0	97.0	(2000)		
11. Population with Access to Sanitation (%)	—	40.0	48.0	(2000)		
12. Public Education Expenditure (% of GDP)	1.4	1.5	2.5	(1998-00)		
13. Human Development Index Rank ^a	108.0	147.0	139.0	(2001)		
14. Gender-Related Development Index Rank	108.0	(1994) 116.0	(1995) 112.0	(2001)		
C. Poverty Indicators						
1. Poverty Incidence	58.8	(1991/92)	51.0	(1995/96)	49.8	(2000)
2. Percent of Poor to Total Population	58.8	(1991/92)	51.0	(1995/96)	49.8	(2000)
a. Urban	44.9	(1991/92)	29.5	(1995/96)	36.6	(2000)
b. Rural	61.2	(1991/92)	55.3	(1995/96)	53.1	(2000)
3. Poverty Gap	17.2	(1991/92)	13.3	(1995/96)	12.9	(2000)
4. Poverty Severity Index	—	—	—	—	—	
5. Inequality (Theil L Index)	—	—	—	—	—	
6. Human Poverty Index Rank	—	—	46.5	(1995)	42.6	(2001)
	—	—	65.0	(1995)	72.0	(2001)

— = not available, GDP = gross domestic product.

^a Human Development Rank for various years is not strictly comparable.

Note: Poverty lines constructed using the cost-of-basic needs method represent the level of per capita expenditures at which the members of a household can be expected to meet their basic needs of food caloric requirement (2,122 kcal per day per person) and also nonfood consumption.

Sources: Asian Development Bank, Bangladesh Bureau of Statistics, World Bank, Ministry of Primary and Mass Education, Department of Compulsory Primary Education, Bangladesh Bureau of Educational Informations and Statistics, United Nations Development Programme, and United Nations Children's Fund.

Table A1.4: Country Environment Indicators

Indicator	1990		Latest Year
A. Energy Efficiency of Emissions			
1. GDP/Unit of Energy Use (PPP\$/kgoe)	8.1	10.8	(2000)
2. Traditional Fuel Use (% of total energy use)	81.3	46.0	(1997)
3. Carbon Dioxide Emissions			
a. Tons	15.4	23.0	(1996)
b. Tons per Capita	0.1	0.2	(1999)
B. Water Pollution: Water and Sanitation			
1. % Urban Population with Access to Safe Water	—	99.0	(2000)
2. % Rural Population with Access to Safe Water	—	97.0	(2000)
3. % Urban Population with Access to Sanitation	—	71.0	(2000)
C. Land Use and Deforestation			
1. Forest Area (million hectares)	—	2.5	(2002)
2. Average Annual Deforestation			
a. Km ²	—	—	
b. % Change	1.8	(1.3)	(1990-2000)
3. Rural Population Density (people/km ² of arable land)	—	1,208.0	(2000)
4. Arable Land (% of total land)	—	62.5	(2000)
5. Permanent Cropland (% of total land)	2.0	2.7	(2000)
D. Biodiversity and Protected Areas			
1. Nationally Protected Area			
a. Million Hectares	0.1	0.2	(2002)
b. % of Total Land	0.8	1.7	(2002)
2. Mammals (number of threatened species)	—	40.0	(2000)
3. Birds (number of threatened species)	—	41.0	(2000)
4. Higher Plants (number of threatened species)	—	106.0	(2001)
5. Reptiles (number of threatened species)	—	58.0	(2000)
6. Amphibians (number of threatened species)	—	8.0	(2000)
E. Urban Areas			
1. Urban Population			
a. Millions	12.5	30.5	(2001)
b. % of Total Population	14.0	23.5	(2001)
2. Per Capita Water Use (liters/day)-Dhaka	—	160.0	(2003)
3. Wastewater Treated (%)-Dhaka	—	—	
4. Solid Waste Generated per Capita (kg/day)	—	0.5	(2000)
F. Air Pollution-Dhaka			
1. City Population ('000)	—	10,000.0	(2003)
2. Total Suspended Particulates (PM 10 µg/m ³)	—	18.0-543.0	(2002-2003)
3. Nitrogen Oxide (ppb)	—	1.0-650.8	(2002-2003)
4. Carbon Monoxide (ppm)	—	0.1-34.4	(2002-2003)
5. Sulfur Dioxide (ppb)	—	0.1-75.3	(2002-2003)

— = not available, GDP = gross domestic product, kg = kilogram, kgoe = kilograms of oil equivalent, km² = square kilometer, PM = particulate matter, ppb = parts per billion, ppm = parts per million, PPP = purchasing power parity, µg/m³ = micrograms per cubic meter.

Sources: United Nations Development Programme. *Human Development Report 2003*, World Bank. *World Development Indicators (2003)*, IUCN — The World Conservation Union. *Red List of Threatened Animals of Bangladesh 2000*, National Herbarium. *Red Data Book of Vascular Plants of Bangladesh*, Forest Department. *Forestry Master Plan: Main Plan-1993/2012, Vol.1*, ADB. *Annual Report*, Bangladesh Bureau of Statistics. *Population Census-2001*, Dhaka Water Supply and sewerage Authority, Dhaka City Corporation, Department of Environment. *Air Quality Management Project*.

Table A1.5: Development Coordination Matrix

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Agriculture and Natural Resources	<p>Agriculture Production, Agro-processing and Agribusiness</p> <ul style="list-style-type: none"> • Promote diversification through high-value crops; facilitate agribusiness including agro-processing; • Facilitate client-oriented decentralized extension provision, and promote public and private sector initiatives in research and extension; • Promote greater market orientation and increase private competitive markets; • Increase poverty reducing interventions and farmers' access to inputs, technologies, and extension services; • Agricultural research; • Capacity development. 	<p>Australia</p> <ul style="list-style-type: none"> • On- farm trials of chick-pea crops <p>Danida/Denmark</p> <ul style="list-style-type: none"> • Policy and planning support to Ministry of Agriculture, Noakhali farmers' training on horticultural crops, integrated pest management, soil fertility management and seed industry development. <p>DFID/UK</p> <ul style="list-style-type: none"> • Poverty alleviation through rice research, homestead gardening, agricultural service innovation and reforms, rural livelihood monitoring, research and extension in farm power, integrated rice and fish production, community-based fisheries management, fourth fisheries, integrated aquaculture development, fisheries training and extension; char development program. <p>European Commission</p> <ul style="list-style-type: none"> • Seeds development, food grain storage improvement. <p>France</p> <ul style="list-style-type: none"> • Supply of equipment for milk processing plant. <p>Germany</p> <ul style="list-style-type: none"> • Seeds industry development. <p>Japan (JICA)</p> <ul style="list-style-type: none"> • Master Plan study on small scale water resources development for poverty alleviation, study on Crop Sector Development and Crop Diversification and HRD.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>SDC/Switzerland</p> <ul style="list-style-type: none"> Comprehensive Program on sustainable land use, through improved production and marketing of vegetables and agroforestry. Project Portfolio: LEAF, SAAKTI, and AFIP). <p>The Netherlands</p> <ul style="list-style-type: none"> Agricultural improvement programs mainstreamed in Small Scale Water Resources Sector Development Project, Water Management Improvement Project and Char Development and Settlement Project. <p>United Nations</p> <ul style="list-style-type: none"> Integrated pest management, integrated horticulture and nutrition development (UNDP/FAO), food security, crop yield forecasting and agro-meteorology (FAO), soil testing and fertility management (FAO). <p>USAID</p> <ul style="list-style-type: none"> Improvement of agricultural processes and outputs; improvement of farmer productivity and increase in household incomes across the country; expansion of agribusiness and small business to create jobs and improvement of family incomes; increase in the productivity of traditional food crops and entry into nontraditional, high-value markets, such as shrimp production and processing for export; development of sustainable aquaculture project; gardening and nutrition education surveillance program.
	<p>Environment and Biodiversity</p> <ul style="list-style-type: none"> Environmental Strategy: (i) support stronger environmental management through 	<p>CIDA/Canada</p> <ul style="list-style-type: none"> Environmental Management.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<p>institutional strengthening and formulation of reforms; (ii) encourage greater private sector involvement through improved investment conditions and legal framework; and (iii) work toward closer regional cooperation among Bangladesh, Bhutan, India, and Nepal;</p> <ul style="list-style-type: none"> • Four priority sectors of coverage of the strategy: urban development especially in secondary towns, water management, transport, and energy; • Other priority themes: disaster management, biodiversity conservation, global climate change effects, soil fertility management and integrated pest management. 	<p>DFID/UK</p> <ul style="list-style-type: none"> • Advancing sustainable environmental health (ASEH), managing pollution from small-scale industries. <p>France</p> <ul style="list-style-type: none"> • Supply of equipment to gather seismic data. <p>The Netherlands</p> <ul style="list-style-type: none"> • Promote projects with a positive impact on the environment. <p>Norway</p> <ul style="list-style-type: none"> • National Conservation Strategy. <p>United Nations</p> <ul style="list-style-type: none"> • Sustainable Environmental Management (UNDP). <p>USAID</p> <ul style="list-style-type: none"> • Assist in improving the management of open water and tropical forest resources; establish Bangladesh Tropical Forest Conservation Foundation under the auspices of the Tropical Forest Conservation Act of 1998; Management of Aquatic Ecosystem. <p>World Bank</p> <ul style="list-style-type: none"> • Support completion of Country Environmental Analysis; and capacity building for air quality monitoring.
	<p>Forestry</p> <ul style="list-style-type: none"> • As the lead funding agency, ADB is assisting the Government in implementing the legal and institutional reforms in the forestry sector; • Facilitate reforms to the legal and institutional framework, and promote participatory forestry; 	<p>Danida/Denmark</p> <ul style="list-style-type: none"> • Soil testing management, soil fertility and fertilizer management. <p>United Nations</p> <ul style="list-style-type: none"> • Biodiversity management in the Sundarbans World Heritage Site (an integrated two-country approach in India)

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<p>and enhance participation by rural communities in tree plantation and natural forest management;</p> <ul style="list-style-type: none"> Capacity development of Forestry Department. 	<p>and Bangladesh, UNDP).</p> <p>USAID</p> <ul style="list-style-type: none"> Forestry conservation and bio-diversity protection through community natural resource management.
	<p>Livestock</p> <ul style="list-style-type: none"> Acting with other funding agencies, assist the Government in formulating a comprehensive livestock policy; Support the Department of Livestock Services in reorienting its approach to the delivery of services to the poor; Capacity development of Department of Livestock Services; Promote cost recovery and Government-NGO-private sector partnership; Promote small-scale livestock development through participatory approach; Research and analytical capacity development. 	<p>Danida/Denmark</p> <ul style="list-style-type: none"> Capacity building of Department of Livestock & Fisheries. <p>IFAD</p> <ul style="list-style-type: none"> Financing participatory livestock development support through Palli Karma Shahayak Foundation.
	<p>Irrigation, Drainage and Water Resource Management</p> <ul style="list-style-type: none"> Promote policy and institutional reforms toward participatory and integrated planning, and improved administrative management; Strengthen institutional framework and public capacities to support management transfer; Rehabilitate and improve critical infrastructure along with institutional development for sustainable operation and management; 	<p>Australia</p> <ul style="list-style-type: none"> Irrigation management for rice and wheat cropping, arsenic transfer in water soil crop environment. <p>CIDA/Canada</p> <ul style="list-style-type: none"> On land flood forecasting through use of space imageries to increase Government's capacity for early flood forecasting within inland areas and improvement of quick flood information transmission networking up to grass root level.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<ul style="list-style-type: none"> • Identify appropriate mitigation measures for river erosion and promote replication; • Command area development; • Small-scale water resources development. 	<p>Danida/Denmark</p> <ul style="list-style-type: none"> • Surface water simulation and modeling. <p>DFID/UK</p> <ul style="list-style-type: none"> • Arsenic mitigation in groundwater. <p>European Commission</p> <ul style="list-style-type: none"> • National minor irrigation, coastal embankment rehabilitation, coastal mapping, Bangladesh Water Development Board system rehabilitation, river survey. <p>France</p> <ul style="list-style-type: none"> • Water treatment plant. <p>The Netherlands</p> <ul style="list-style-type: none"> • Integrated water resources management: support to the formulation and application of policy in the sector, institutional capacity building (WARPO, BWDB, LGED), regional collaboration water management, and small-scale water resources development; char development and settlement; water supply and drainage; estuary development study, twinning arrangements, involvement in further elaboration of approved National Water Management Plan, privatization of knowledge institute in the field of environmental GIS, educational strengthening in BUET (water resources). <p>SDC/Switzerland</p> <ul style="list-style-type: none"> • Arsenic mitigation of water supply. <p>USAID</p> <ul style="list-style-type: none"> • Mapping of location of arsenic in water; deep aquifer study by USGS; study on the uptake of arsenic in the food chain; management of aquatic ecosystem; drinking water for vulnerable populations.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>SIDA/Sweden</p> <ul style="list-style-type: none"> • Arsenic mitigation in Greater Faridpur. <p>United Nations</p> <ul style="list-style-type: none"> • Farm water management (FAO), flood action plan (UNDP). <p>World Bank</p> <ul style="list-style-type: none"> • Helping to improve water management capacity; support to implementation of arsenic mitigation strategy and provision of safe water supply alternatives (with SDC).
Education	<ul style="list-style-type: none"> • Increase equitable access to basic education, particularly for girls and disadvantaged children; • Improve education quality and system efficiency, particularly in teacher training; • Strengthen the institutional and management capacity to deliver basic and secondary education; 	<p>Australia</p> <ul style="list-style-type: none"> • Primary Education Development Program (PEDP) II. <p>CIDA/Canada</p> <ul style="list-style-type: none"> • Government counterpart funds and support for PEDP II; nonformal education through NGO. <p>DFID/UK</p> <ul style="list-style-type: none"> • BRAC nonformal primary education phase II and III, effective schools, basic education for hard to reach urban children, under-privileged children education phases II-IV, active learning education, Post-Literacy and Continuing Education Project, PEDP II. <p>European Commission</p> <ul style="list-style-type: none"> • Secondary education female teacher promotion; PEDP II. <p>France</p> <ul style="list-style-type: none"> • Modernization of Textile Technology College; PEDP II. <p>Germany</p> <ul style="list-style-type: none"> • Primary education support.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>Japan (JICA)</p> <ul style="list-style-type: none"> Support overall education development with special focus on primary education, strengthening primary education teachers training on science and math and HRD, PEDP II. <p>The Netherlands</p> <ul style="list-style-type: none"> PEDP II, BRAC non-formal primary education phase III, CAMPE- a focal point for NGOs working mainly in non-formal education sector, educational strengthening in water resources (BUET). <p>Norway</p> <ul style="list-style-type: none"> Nonformal education, female secondary stipend, primary education development; PEDP II. <p>SDC/Switzerland</p> <ul style="list-style-type: none"> Post Literacy and Continuing Education. Ensuring equitable access to quality education for all; supporting quality improvement in education; promoting reforms in education policy; exploring innovations in skills development, through Government of Bangladesh, nongovernment organizations, and other institutions. Project portfolio: PLCE1, ROSC, CAMPE, UCEP, CMES, and ASHRAI). <p>SIDA/Sweden</p> <ul style="list-style-type: none"> Support for primary and nonformal education; PEDP II. <p>UNICEF</p> <ul style="list-style-type: none"> PEDP II; non-formal education. <p>USAID</p> <ul style="list-style-type: none"> Improving early childhood and primary education through innovative learning models to include a mass media approach.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		World Bank <ul style="list-style-type: none"> • PEDP II, nonformal education, secondary education; Reaching Out of School Children.
Energy	Energy Sector Development and Reforms Gas Sector <ul style="list-style-type: none"> • Promoting increased use of domestic gas resources in place of imported energy. For the transport sector, intensify use of compressed natural gas (CNG) through support to expand gas distribution and transmission networks, development of CNG filling stations and conversion of public vehicles in several cities throughout Bangladesh; • Restructuring of the gas sector, including allowing full autonomy to the gas sector entities, regulation, de-politicize tariff setting. 	DFID/UK <ul style="list-style-type: none"> • Gas infrastructure development. Norway <ul style="list-style-type: none"> • CNG development. United Nations <ul style="list-style-type: none"> • CNG development (UNDP). USAID <ul style="list-style-type: none"> • Promotion of CNG. World Bank <ul style="list-style-type: none"> • Preparation of Gas Strategy and Gas Master Plan.
	Power Sector <ul style="list-style-type: none"> • Reform of legislation: establishment of energy regulator and update power system master plan; • Functional segregation: establishment of transmission company, distribution companies, generation companies and regulator; • Introduction of competition: private sector participation, and establishment of efficient benchmarks in distribution; • Tariffs and subsidies: de-politicize tariff setting, make variations transparent and routine, link tariffs with efficiency, and achieve total cost recovery; • HRD: salaries and wages made competitive, 	Germany <ul style="list-style-type: none"> • Power generation and transmission, power system loss reduction, renewal energy promotion; HRD in energy sector (Ashuganj Power Station). Japan (JBIC) <ul style="list-style-type: none"> • Power generation; rural electrification (RE) and efficiency enhancement project; energy saving, gas transmission and distribution; HRD in power sector and promote TQM in BPDB. Quarterly sectoral studies, budget support for rehabilitation and maintenance of power plants. The Netherlands <ul style="list-style-type: none"> • Support RE programme. Norway <ul style="list-style-type: none"> • Power transmission; RE.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<p>work culture improved, technical and managerial training systems introduced;</p> <ul style="list-style-type: none"> • Management strengthening: corporatization of entities, independence of the boards of directors; delegation of powers to management, competitive selection of management, and computerization of accounts and billing systems; • Market development: grid code and alternative investment mechanisms. 	<p>USAID</p> <ul style="list-style-type: none"> • Strengthen the entities that generate, transmit and distribute power and gas; facilitate privatization of government-owned entities; promote private sector investment and development of the power and natural gas sectors through enhancing the capabilities of Bangladesh energy organizations and improving the legal, regulatory, and investment environment under which these organizations operate; RE; rural power for poverty reduction; improved performance of energy sector; clean energy, National Rural Energy Cooperation's Association. <p>World Bank</p> <ul style="list-style-type: none"> • Technical assistance project to create the institutional foundation to scale-up sector development (in coordination with other DPs); Rural Electrification through grid and offgrid schemes, private power generation and public-private partnerships to strengthen operational autonomy and management of state-owned enterprises; Performance improvement of the Chittagong area electricity distribution company (investment project); Rural energy survey to develop a rural energy strategy.
Finance	<p>Develop an efficient and transparent capital market to facilitate efficient resource mobilization and allocation required for attaining sustainable industrial development and economic growth.</p>	<p>European Commission</p> <ul style="list-style-type: none"> • Strengthening cooperation in trade and finance in export promotion, standards development, and World Trade Organization matters, supports South Asia Enterprise Development Facility (SEDF). <p>World Bank</p> <ul style="list-style-type: none"> • Accelerating and broadening private sector-led growth, remove structural impediments and establish a conducive

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>environment for private investment, strengthening the financial sector including central bank restructuring and privatization of NCBs, and supporting private investments in energy, infrastructure, manufacturing, and services, commercial and central banking restructuring, private sector infrastructure development, skills development; Financial Institutions Development Project; Export Diversification Project, SEDF (through IFC).</p>
<p>Health, Nutrition and Social Protection</p>	<p>Health Programs</p> <p>The operational focus is on primary health care (PHC) in urban areas:</p> <ul style="list-style-type: none"> • Support the Government's policy for decentralization of health services, communicable diseases control, and reproductive health; • Develop public-private partnership for PHC services; • Enhance privatization of PHC services to vulnerable groups in a more effective manner; • Develop alternative health care financing schemes, including a social insurance system for providing affordable medical care and protection for old age. 	<p>Australia</p> <ul style="list-style-type: none"> • Nutrition. <p>CIDA/Canada</p> <ul style="list-style-type: none"> • Basic human needs programming including health, supports Health and Population Sectors Program (HPSP), and safe drinking water supply (arsenic removal technology verification). <p>DFID/UK</p> <ul style="list-style-type: none"> • HIV AIDS, reproductive health care, health economics, hospital management, medical education, strengthening the role of nursing, emergency condom procurement, WB coordination and monitoring support, rural hygiene, sanitation and water supply, HPSP. <p>European Commission</p> <ul style="list-style-type: none"> • Support HPSP. <p>France</p> <ul style="list-style-type: none"> • Medical hospital equipment. <p>Germany</p> <ul style="list-style-type: none"> • Family planning and HIV/Aids; HRD in health sector.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>Japan (JICA)</p> <ul style="list-style-type: none"> Eradication of poliomyelitis, maternal/child health training institution, tetanus immunization plan; Obstetric care, HRD in reproduction health, community operational reproductive health project. <p>The Netherlands</p> <ul style="list-style-type: none"> Basic health care. <p>SIDA/Sweden</p> <ul style="list-style-type: none"> Support HPSP. <p>United Nations</p> <ul style="list-style-type: none"> AIDS prevention safe-blood transfusion, Family Planning and Welfare Service; reproductive health care, women's health, garment workers' health, and community nutrition; HPSP, early childhood development (UNDP/UNFPA/UNICEF/WHO). <p>USAID</p> <ul style="list-style-type: none"> Enhance the quality of life of socially and economically disadvantaged people by helping to reduce fertility and improve family health; funded the National Integrated Population and Health Program (NIPHP); family planning and health services; HIV/AIDS prevention working with at-risk populations. <p>World Bank</p> <ul style="list-style-type: none"> Support HPSP and preparation of HNPSP support.
	<p>Social Protection</p> <ul style="list-style-type: none"> Social protection for disadvantaged women and children, encompassing: service delivery, legal support, birth registration, rights awareness, institutional strengthening and capacity building. 	<p>Australia</p> <ul style="list-style-type: none"> Vulnerable group development; integrated food security; micronutrient school feeding programs.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>Danida/Denmark</p> <ul style="list-style-type: none"> Shelters and skills development for socially vulnerable women. <p>European Union</p> <ul style="list-style-type: none"> Vulnerable group development. <p>Norway</p> <ul style="list-style-type: none"> Shelters for women victims of trafficking. <p>United Nations</p> <ul style="list-style-type: none"> Social protection for street children (UNDP/UNICEF); elimination of worst forms of child labor (ILO); vulnerable group development (WFP). <p>USAID</p> <ul style="list-style-type: none"> Integrated food security program. <p>World Bank</p> <ul style="list-style-type: none"> Social protection for the poor.
<p>Industry and Trade</p>	<p>Small and Medium Enterprises</p> <ul style="list-style-type: none"> Prepare a sector development program for SME development to foster the growth and competitiveness of SMEs through support for an enabling environment conducive to the development of a sustainable SME sector, provision of business development and support services, and access to credit and financial services; Support SME growth and development in the South Asia region through SEDF. 	<p>Australia</p> <ul style="list-style-type: none"> Automation of Register of Joint Stock Companies (with SEDF). <p>CIDA/Canada</p> <ul style="list-style-type: none"> Support SEDF, support for WTO negotiations. <p>DFID/UK</p> <ul style="list-style-type: none"> Business Development Services, support for IFC's small entrepreneur development (SEDF), World Bank's private sector infrastructure development, financial management academy, trade policy capacity building; proposed Regulatory and Investment Systems Improvement for Enterprise Growth (RISE). <p>European Commission</p> <ul style="list-style-type: none"> Supports South Asia Enterprise Development Facility (SEDF).

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>GTZ/Germany</p> <ul style="list-style-type: none"> • Business development services through Dhaka Chambers of Commerce. <p>The Netherlands</p> <ul style="list-style-type: none"> • Support SEDF. <p>Norway</p> <ul style="list-style-type: none"> • Small enterprise development through provision of credit, support SEDF. <p>SDC/Switzerland</p> <ul style="list-style-type: none"> • Micro and small enterprises promotion program comprises: (i) flexible and innovative financial services for the poor; linking formal banking sector with micro finance sector; contribution to the reforms in the financial sector, in particular in developing a regulatory framework for microfinance; and (ii) enhance competitiveness of SMEs through improved business services market and local enabling environment for SMEs. <p>Switzerland/SDF</p> <ul style="list-style-type: none"> • Small business development through service providers. <p>USAID</p> <ul style="list-style-type: none"> • Benefit entrepreneurs by creating a more positive business climate, specifically, by providing access to loans and other financial services, training in quality assurance and improved product design, access to new markets and enhanced telecommunications; Job Opportunities and Business Support (JOBS II); loan portfolio guarantee program with 3 banks to promote increased lending. <p>World Bank</p> <ul style="list-style-type: none"> • Supports SEDF (through IFC).

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Law and Public Sector Management	<p>Sub-national Government Urban Development in Secondary Towns</p> <ul style="list-style-type: none"> • Encourage administrative and financial decentralization; Strengthen financial and administrative capacity of <i>pourashavas</i>; • Decentralize investment to secondary towns to relieve congestion in Dhaka; • Encourage local resource mobilization; • Promote participation of private sector and NGOs; • Encourage administrative and financial decentralization; Strengthen financial and administrative capacity of <i>pourashavas</i>; • Decentralize investment to secondary towns to relieve congestion in Dhaka; • Encourage local resource mobilization; • Promote participation of private sector and NGOs. 	<p>CIDA/Canada</p> <ul style="list-style-type: none"> • Legal Reform for capacity building and strengthening of Ministry of Law, Law Commission, Juvenile Justice System, and Alternate Dispute Resolution System. <p>The Netherlands</p> <ul style="list-style-type: none"> • Support Financial Management Reform Programme. <p>United Nations</p> <ul style="list-style-type: none"> • Bangladesh Urban Sector Project (UNICEF); Shirajganj Pilot Project, Urban Project (UNDP). <p>World Bank</p> <ul style="list-style-type: none"> • Municipal Services Project.
Transportation and Communication	<p>Ports, waterways and shipping</p> <ul style="list-style-type: none"> • Enhance and improve efficiency of Chittagong Port to reduce turnaround time. 	<p>World Bank</p> <ul style="list-style-type: none"> • Improve the container turn-around time by providing new and/or improved container berthing facilities, assist to meet the growing import/export demand by improving the surface transport system linking Chittagong Port.
	<p>Railways</p> <ul style="list-style-type: none"> • Improve the operational and financial performance of Bangladesh Railway (BR) by increased managerial autonomy, improved management accounting, reorganization of BR to a line-of-business structure, and updating the legislative framework for the railways. 	<p>Japan (JBIC)</p> <ul style="list-style-type: none"> • Budget support for rehabilitation of locomotives, and rehabilitation of railway track. <p>World Bank</p> <ul style="list-style-type: none"> • Provide support to BR to improve its operating ratio by corporatization of the

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>railway, emphasis on business management, separating freight and passenger management, and the preparation of a realistic medium-term business plan; provide complementary support to ADB future investment project in the rail sector by IDA intervention for further improvement of rail services in the Dhaka-Chittagong corridor.</p>
	<p>Roads and Highways</p> <ul style="list-style-type: none"> • Provide sector guidelines and policy by Government's approval of the National Land Transport Policy, and linking it with a multi-modal transport policy in the longer-term. • Improve institutional capacity of road sector organizations to manage investments, to increase efficiency and reduce costs, and to attract private sector investments; • Enhance subregional cooperation in road transport; • Create a road fund to be administered by independent authority for proper maintenance. 	<p>Danida/Denmark</p> <ul style="list-style-type: none"> • Coastal roads project. <p>DFID/UK</p> <ul style="list-style-type: none"> • Institutional development component of road rehabilitation II & III, bridge replacement. <p>Japan (JBIC/JICA)</p> <ul style="list-style-type: none"> • Jamuna bridge access roads, Paksey bridge construction project, Rupsa bridge construction project, budget support program for road maintenance, study on road sector development issues, reconstruction of small and medium-sized bridges, portable steel bridge and feasibility study of Padma bridge. <p>SIDA/Sweden</p> <ul style="list-style-type: none"> • Construction of small bridges (cofinancing with The Netherlands and NDF). <p>World Bank</p> <ul style="list-style-type: none"> • Dhaka urban transport; Road Rehabilitation and Maintenance Project III and IV, community and road safety.
<p>Water Supply, Sanitation and Waste Management</p>	<p>Integrated Water Supply, Sanitation and Waste Management</p> <ul style="list-style-type: none"> • Urban water supply and sanitation for secondary towns. 	<p>Australia</p> <ul style="list-style-type: none"> • Safe drinking water options for arsenic-affected villages.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>Danida/Denmark</p> <ul style="list-style-type: none"> • Urban Water and Sanitation. <p>DFID/UK</p> <ul style="list-style-type: none"> • Sanitation and water supply. <p>Japan (JICA)</p> <ul style="list-style-type: none"> • Dhaka sewerage; water quality analysis, arsenic mitigation program, study of solid waste management of Dhaka city. <p>United Nations</p> <ul style="list-style-type: none"> • Sanitation and Hygiene Water Supply (UNICEF), empowerment for urban poverty alleviation (UNDP). <p>USAID</p> <ul style="list-style-type: none"> • River embankment through food aid/NGOs. <p>World Bank</p> <ul style="list-style-type: none"> • Study for Water and Sewerage Authority (WASA).
Multi-sector	<p>Rural Development</p> <ul style="list-style-type: none"> • Target poorer regions with integrated rural development; • Improve participation of the poor in planning and implementation; • Improve government delivery of services; • Increase cost sharing and people's management of projects. • Promote unsubsidized delivery systems • Promote sustainable microfinance and rural finance systems; 	<p>Australia</p> <ul style="list-style-type: none"> • North West Bangladesh microfinance expansion program; various rural development programs. <p>CIDA/Canada</p> <ul style="list-style-type: none"> • Rural maintenance program, rural poverty alleviation. <p>Danida/Denmark</p> <ul style="list-style-type: none"> • Rural water supply and sanitation. <p>DFID/UK</p> <ul style="list-style-type: none"> • study on rural livelihood of poor people, char livelihoods, empowerment of the landless, land rights, sustainable livelihoods through capacity building; rural-

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<ul style="list-style-type: none"> • Improve supervision and regulation of financial institutions at all levels. 	<p>urban migration, rural bio-gas, and rural broadcasting.</p> <p>European Commission</p> <ul style="list-style-type: none"> • <i>Upazilla</i> functional improvement. <p>GTZ/Germany</p> <ul style="list-style-type: none"> • Tangail infrastructure development, rural roads and markets; improvement of social/community health in Chittagong Hill Tracts. <p>Japan (JBIC/JICA)</p> <ul style="list-style-type: none"> • Northern Rural Infrastructure development, Greater Faridpur Rural Development, Rural Development Engineering Center Setting up; Rural Poultry Development Program and Participatory Rural Development Project and budget support for maintenance of rural roads. <p>Norway</p> <ul style="list-style-type: none"> • Kurigram poverty alleviation. <p>SIDA/Sweden</p> <ul style="list-style-type: none"> • Rural development support in the greater Faridpur region (Rural Employment Sector Program). <p>SDC/Switzerland</p> <ul style="list-style-type: none"> • Rural roads and market improvement maintenance, village-based institution for socioeconomic development, and sustainable village development. • Cross-sector development program for the district of Sunamganj. <p>United Nations</p> <ul style="list-style-type: none"> • Rural employment (ILO), Rural Youth Participatory Development (UNDP), Microfinance and technical support project (IFAD).

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>USAID</p> <ul style="list-style-type: none"> • Tubewell testing, latrine installation, limited construction of rural roads and flood shelters. <p>World Bank</p> <ul style="list-style-type: none"> • Implementing an integrated approach to rural development including supporting growth in agriculture and non-farm activities, creating opportunities and assets available to the poor, improving rural roads, and strengthening local institutions.
<p>Themes Governance</p>	<ul style="list-style-type: none"> • Develop a road map for ADB's approach to strengthening governance; • Make the machinery of government more efficient and effective through the implementation of the recommendations of the Public Administration Reforms Commission; • Mainstream governance measures in specific sectors through more detailed analysis of governance issues in loan-related economic and sector work and through the introduction of governance-related performance indicators (including expanding cooperation with NGOs, and measures to strengthen the effective, efficient, and equitable utilization of financial resources); • Contribute to effective funding agency coordination on governance initiatives; • Improve efficiency of project implementation, including procurement reforms. 	<p>CIDA/Canada</p> <ul style="list-style-type: none"> • Strengthen the capacity of Bangladesh to govern its own development process by addressing issues of transparency, accountability, efficiency, and policy reform and modernization of Ministry of Water Resource's financial management capacity. <p>Danida/Denmark</p> <ul style="list-style-type: none"> • Establishment of Ombudsman. <p>DFID/UK</p> <ul style="list-style-type: none"> • Financial management reform, reforms in revenue administration, public access to justice, parliamentary committees, strengthening institutional systems for planning, human rights and governance (HUGO);. <p>European Commission</p> <ul style="list-style-type: none"> • Promotion of democracy and human rights, and a continued commitment to support the 1997 Chittagong Hill Tracts peace process. <p>Japan (JBIC)</p> <ul style="list-style-type: none"> • Strongly supports the necessity of good governance and plans to initiate budget

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>support program for police reforms.</p> <p>SDC/Switzerland</p> <ul style="list-style-type: none"> The program for Good Governance focuses on: (i) decentralization and participatory governance, in particular supporting civil society to become key force in local governance by promoting participation and demanding accountability and building capacity of local government to effectively serve the local population (through concrete projects implementation in the rural infrastructure and safe water supply); (ii) influencing policy reforms in coordination with other agencies, advocating for effective decentralization efforts; local government as transversal theme in the entire SDC program. <p>The Netherlands</p> <ul style="list-style-type: none"> Support good governance with emphasis on reform of public finance management, combating corruption, promoting democracy, improving human security and protection of human rights. <p>Norway</p> <ul style="list-style-type: none"> Electoral training institution, elimination of child trafficking, capacity building for management of foreign aid. <p>SIDA/Sweden</p> <ul style="list-style-type: none"> Local governance improvement for Greater Faridpur. <p>United Nations</p> <ul style="list-style-type: none"> Human rights (UNDP), election observers' support (UNDP), strengthening parliamentary democracy (UNDP); capacity building for local government (UNDP); support to Public Administration Reform Commission/ PARC (UNDP).

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>USAID</p> <ul style="list-style-type: none"> Strengthening democratic institutions, Parliament, and protection of human rights, to make them more responsive to citizens' needs; promote more effective civil society advocacy of human rights; build a national constituency for strong local government; support local government and international NGOs to end the trafficking of women and children. <p>World Bank</p> <ul style="list-style-type: none"> Strengthening public financial management system and building institutional capacity of Comptroller and Auditor General. Support to policy reforms to improve accountability and transparency of public sector through Development Support Credits (I and II). Support to procurement reform and considering support for public administration.
<p>Private Sector Development</p>	<ul style="list-style-type: none"> Create an enabling environment, generate business opportunities, and catalyze private investments; Support the Capital Market Development Program; Assist the Privatization Commission; Assist in the public-private partnership in energy development; Strengthen SME development and export expansion; Agribusiness development. 	<p>CIDA/Canada</p> <ul style="list-style-type: none"> Improve Private Sector Regulation, Implementation and Support Mechanism (PRISM). <p>Danida/Denmark</p> <ul style="list-style-type: none"> Development of Business Services Management (cofinancing with DFID and SDC). <p>DFID/UK</p> <ul style="list-style-type: none"> Private sector infrastructure development, development business services. <p>GTZ/Germany</p> <ul style="list-style-type: none"> Social and Ecological Standards for the Textile Sector.

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>The Netherlands</p> <ul style="list-style-type: none"> • Lend support to development-related export transactions by The Netherlands companies. <p>USAID</p> <ul style="list-style-type: none"> • Expand job opportunities through increasing the size and scope of local industries, and facilitate business expansion and start-ups through access to loans and other financial services, agribusiness for export promotion (RTADP II). <p>World Bank</p> <ul style="list-style-type: none"> • Supporting implementation of recommendations from the recently completed Report of Observance of Standards and Codes (ROSC) on corporate accounting and auditing practices.
<p>Gender and Development</p>	<ul style="list-style-type: none"> • Through lending programs: (i) assist in policy support, capacity building, and awareness raising, particularly of violence against women, (ii) facilitate gender analysis of proposed projects; and (iii) assist in the implementation of commitments made at the UN Fourth World Conference on Women and the Government's subsequent National Action Plan for Women; • Focus on female beneficiaries in the Second Participatory Livestock Development Project; • Social Protection for the Poor, especially Disadvantaged Women and Children. 	<p>Australia</p> <ul style="list-style-type: none"> • supports the Ministry of Women and Childrens Affairs Vulnerable Groups Development program, and gender analysis within this program; also funding to NGOs' grassroots programs promoting gender equality. <p>CIDA</p> <ul style="list-style-type: none"> • Support to Ministry of Women and Children Affairs to promote gender equality in policy planning, support to women garment workers through NGO, support to Acid Survivors' Foundation, established a responsive gender fund for local NGOs. <p>Danida/Denmark</p> <ul style="list-style-type: none"> • Multisector violence against women;

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		<p>GTZ/Germany</p> <ul style="list-style-type: none"> • Legal/social rights empowerment for women. <p>Japan (JICA)</p> <ul style="list-style-type: none"> • Training on agriculture for rural women, training of M/O Women Affairs/DWA officials in Japan, NGOs, Dispatch of experts to DWA. <p>Netherlands</p> <ul style="list-style-type: none"> • Support to dept. of women's studies, Dhaka Univ.; support to acid survivors foundation; incorporating gender in national budget (with NORAD); development of gender strategy/action plan in REB master plan; promotion/protection of women's human rights (with NORAD); education of girl-child (through NGO). <p>SDC/Switzerland</p> <ul style="list-style-type: none"> • Promote gender equality in development. • Gender as transversal theme in the entire SDC program and integrated as the main transversal theme of Human and Institutional Development (HID), which includes: (i) capacity building of implementing partners, (ii) capacity building of HID providers in Bangladesh and strengthening of civil agents of change. <p>SIDA</p> <ul style="list-style-type: none"> • Support gender equality aspects of cooperation, especially in policy dialogue. <p>United Nations</p> <ul style="list-style-type: none"> • Gender mainstreaming (UNDP), Entrepreneurship Development of Women (UNDP), Management Capacity of Department of Women Affairs (UNDP).

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
		USAID Human rights program particularly emphasizes women and violence against women.
Regional Cooperation	<ul style="list-style-type: none"> • Support subregional economic cooperation leading to increased trade, investment and rapid poverty reduction; • Support to the South Asia Subregional Economic Cooperation (SASEC: Bangladesh, Bhutan, India, and Nepal) to identify and prioritize subregional projects in tourism, environment, transport, power and energy, trade and investment, and private sector cooperation. 	World Bank <ul style="list-style-type: none"> • Has carried out studies toward promoting sub-regional cooperation.

ADB = Asian Development Bank, BRAC = Bangladesh Rural Advancement Committee, CARE = Cooperative for American Relief to Everywhere, CIDA = Canadian International Development Agency, CNG = compressed natural gas, Danida = Danish International Development Assistance, DFID/UK = Department for International Development of the United Kingdom, EC = European Commission, FAO = Food and Agriculture Organization of the United Nations, GTZ = Deutsche Gesellschaft für Technische Zusammenarbeit (German Technical Cooperation), HPSP = Health and Population Sectors Program, HIV/AIDS = human immunodeficiency virus/acquired immunodeficiency syndrome, HRD = human resources development, IFC = International Finance Corporation, ILO = International Labour Organization, JBIC = Japan Bank for International Cooperation, JICA = Japan International Cooperation Agency, NDF = Nordic Development Fund, NGO = nongovernment organization, PARC = Public Administration Reform Commission, PEDP = Primary Education Development Program, PHC = primary health care, RE = rural electrification, REB = Rural Electrification Board, SDC = Swiss Agency for Development and Cooperation, SEDF = South Asia Enterprise Development Facility, SIDA = Swedish International Development Agency, SME = small and medium-sized enterprise, UK = United Kingdom, UN = United Nations, UNICEF = United Nations Children Fund, UNDP = United Nations Development Programme, UNFPA = United Nations Population Fund, USAID = United States Agency for International Development, WTO = World Trade Organization.

Table A1.6: Portfolio Indicators—Portfolio Amounts and Ratings
(public sector loans, as of 31 December 2003)

Sector ^a	Net Loan Amount		Total		Rating ^b								Potential Problem ^c		At Risk ^d	
	\$ million	%	No.	%	Highly Satisfactory		Satisfactory		Partly Satisfactory		Unsatisfactory		No.	%	No.	%
					No.	%	No.	%	No.	%	No.	%				
Agriculture and Natural Resources	471.9	21.1	10	32.3	1	10.0	8	80.0	0	0.0	1	10.0	1	10.0	1	10.0
Energy	825.8	37.0	9	29.0	0	0.0	8	88.9	1	11.1	0	0.0	0	0.0	1	11.0
Finance	0.0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Industry and Nonfuel Mineral	0.0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Multisector	0.0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Others	0.0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Social Infrastructure	342.4	15.3	5	16.1	0	0.0	5	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Transport and Communications	592.6	26.5	7	22.6	0	0.0	7	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	2,232.7	100.0	31	100.0	1	3.2	28	90.3	1	3.2	1	3.2	1	3.2	2	6.5

No. = number.

^a Based on old sector classification, pending reclassification of the historical data

^b One rating for implementation progress and development objectives, based on the lower rating of either.

^c Potential problem loans are satisfactory loans but have four or more risk factors associated with partly satisfactory or unsatisfactory performance.

^d A loan is "at risk" if it is rated as partly satisfactory, as unsatisfactory, or as a potential problem.

Source: Asian Development Bank estimates.

Table A1.7: Portfolio Indicators—Disbursements and Net Transfers of Resources
(public sector loans, as of 31 December 2003)

Disbursements and Transfers	OCR	ADF	Total
Disbursements^a			
Total Funds Available for Withdrawal (\$ million)	272.9	1,415.2	1,688.1
Disbursed Amount (\$ million, cumulative)	27.2	500.0	527.2
Percentage Disbursed (disbursed amount/total available)	10.0	35.3	31.2
Disbursements (\$ million, latest year)	19.1	182.6	201.7
Disbursement Ratio (%) ^b	7.2	18.1	15.8
Net Transfer of Resources (\$ million)			
1999	0.0	172.9	172.9
2000	0.0	158.4	158.4
2001	0.0	84.9	84.9
2002	5.8	50.7	56.5
2003	17.5	47.9	65.4

ADF = Asian Development Fund, OCR = ordinary capital resources.

^a Includes ongoing loans and closed loans with disbursements during 2003.

^b Ratio of disbursements during the year over the undisbursed net loan balance at the beginning of the year less cancellations during the year. Effective loans during the year have also been added to the beginning balance of undisbursed loans.

Source: Asian Development Bank estimates.

Table A1.8: Portfolio Indicators—Evaluation Rating by Sector
(1999–2003)

Sector ^a	Highly Successful		Successful		Partly Successful		Unsuccessful		No Rating		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Agriculture and Natural Resources	0	0.0	1	25.0	3	75.0	0	0.0	0	0.0	4	100.0
Energy	—	—	—	—	—	—	—	—	—	—	—	—
Finance	—	—	—	—	—	—	—	—	—	—	—	—
Industry and Nonfuel Minerals	0	0.0	0	0.0	0	0.0	1	100.0	0	0.0	1	100.0
Multisector	—	—	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—	—	—
Social Infrastructure	0	0.0	4	80.0	1	20.0	0	0.0	0	0.0	5	100.0
Transport and Communications	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	100.0
Total	0	0.0	5	40.0	5	50.0	1	10.0	0	0.0	11	100.0

— = not available.

^a Based on old sector classification, pending reclassification of the historical data.

Source: Asian Development Bank project (program) audit reports.

Table A1.9: Portfolio Implementation Status
(public sector loans, as of 31 December 2003)

Sector ^a	Loan No.	Title	Net Loan Amount		Approval Date	Effective Date	Closing Date		Progress (% complete)
			OCR (\$ million)	ADF (\$ million)			Original (dd/mm/yy)	Revised (dd/mm/yy)	
AGR	1486	Forestry Sector	0.0	59.2	21 Nov 96	12 Jan 98	30 Jun 04		40.0
AGR	1581	Third Rural Infrastructure Development	0.0	69.9	20 Nov 97	01 Jul 98	30 Jun 05		87.0
AGR	1634	Rural Livelihood	0.0	45.5	29 Sep 98	22 Mar 99	30 Jun 05		30.0
AGR	1643	Sundarbans Biodiversity Conservation	0.0	35.3	27 Nov 98	06 Aug 99	31 Dec 06		24.0
AGR	1771	Chittagong Hill Tracts Rural Development	0.0	34.4	26 Oct 00	24 Oct 02	30 Sep 08		7.0
AGR	1782	Northwest Crop Diversification	0.0	52.6	21 Nov 00	09 Aug 01	31 Dec 08		17.0
AGR	1831	Second Small-scale Water Resources Development Sector	0.0	39.4	12 Jul 01	09 Nov 01	31 Dec 09		16.0
AGR	1941	Jamuna-Meghna River Erosion Mitigation	0.0	47.3	25 Nov 02	01 Apr 03	30 Jun 09		8.0
AGR	1952	Rural Infrastructure Improvement	0.0	67.8	02 Dec 02	07 Sep 03	30 Jun 09		3.0
AGR	2070	Second Participatory Livestock Development Project	0.0	20.6	19 Dec 03		30 Jun 10		
ENE	1505	Ninth Power	0.0	93.6	18 Dec 96	17 Jul 97	31 Jul 01	31 Dec 03	100.0
ENE	1730	Dhaka Power Systems Upgrade	0.0	77.9	21 Dec 99	02 Aug 00	30 Jun 04	30 Jun 06	49.0
ENE	1731	Dhaka Power Systems Upgrade	82.0	0.0	21 Dec 99	02 Aug 00	30 Jun 04	30 Jun 06	49.0
ENE	1884	West Zone Power System Development	0.0	69.8	17 Dec 01	07 Nov 02	30 Sep 06		17.0
ENE	1885	West Zone Power System Development	138.7	0.0	17 Dec 01	07 Nov 02	30 Sep 06		17.0
ENE	1942	Dhaka Clean Fuel	0.0	47.6	26 Nov 02	17 Dec 03	30 Jun 07		
ENE	1943	Dhaka Clean Fuel	30.2	0.0	26 Nov 02	17 Dec 03	30 Jun 07		
ENE	2038	Power Sector Development Program	100.0	0.0	10 Dec 03		30 Jun 05		
ENE	2039	Power Sector Development Project	186.0	0.0	10 Dec 03		30 Jun 05		

ADF = Asian Development Fund, AGR = agriculture and natural resources, ENE = energy.

^a Based on old sector classification, pending reclassification of the historical data.

Continued on next page

Table A1.9—Continued

Sector	Loan No.	Title	Net Loan Amount		Approval Date	Effective Date	Closing Date		Progress (% complete)
			OCR (\$ million)	ADF (\$ million)			Original (dd/mm/yy)	Revised (dd/mm/yy)	
T & C	1561	Jamuna Bridge Railway Link	0.0	106.3	02 Oct 97	06 Mar 98	31 Dec 01	31 Aug 03	100.0
T & C	1708	Southwest Road Network Development	0.0	118.3	16 Nov 99	02 Mar 00	30 Sep 04	31 Dec 05	57.0
T & C	1789	Road Maintenance and Improvement	0.0	81.4	29 Nov 00	10 Sep 01	30 Jun 05		11.0
T & C	1790	Road Maintenance and Improvement	22.0	0.0	29 Nov 00	10 Sep 01	30 Jun 05		11.0
T & C	1825	Southwest Flood Damage Rehabilitation	0.0	58.5	21 Dec 00	31 May 01	31 Dec 03		100.0
T & C	1920	Road Network Improvement and Maintenance I	0.0	73.2	10 Oct 02	27 Oct 03	31 Dec 07		
T & C	2021	Road Network Improvement and Maintenance II	0.0	132.9	20 Nov 03	09 Nov 01	30 Dec 08		
SOC	1538	Urban Primary Health Care	0.0	31.2	16 Sep 97	30 Mar 98	30 Jun 03	31 Dec 04	71.0
SOC	1690	Secondary Education Sector Improvement	0.0	62.3	22 Jun 99	03 Dec 99	30 Apr 06		52.0
SOC	1881	Post-Literacy and Continuing Education	0.0	75.0	13 Dec 01	28 Jun 02	31 Dec 08		5.0
SOC	1947	Urban Governance and Infrastructure Improvement (Sector)	0.0	67.2	28 Nov 02	25 Aug 03	31 Dec 09		6.0
SOC	2015	Second Primary Education Development Program	0.0	106.7	03 Nov 03		30 Jun 10		
Total			558.9	1,673.9					

SOC = social infrastructure, T & C = transport and communications.

Table A1.9—Continued

Sector	Loan No.	Title	Cumulative Contracts/ Commitments (\$ million)	Cumulative Disbursements (\$ million)	Rating		Potential Problem ^a	At Risk ^b
					IP	DO		
AGR	1486	Forestry Sector	19.59	18.70	S	S	No	No
AGR	1581	Third Rural Infrastructure Development	53.52	48.17	HS	HS	No	No
AGR	1634	Rural Livelihood	15.21	19.40	S	S	No	No
AGR	1643	Sundarbans Biodiversity Conservation	10.18	8.49	U	U	Yes	Yes
AGR	1771	Chittagong Hill Tracts Rural Development	3.63	0.93	S	S	No	No
AGR	1782	Northwest Crop Diversification	5.87	2.85	S	S	No	No
AGR	1831	Second Small-scale Water Resources Development Sector	3.49	3.55	S	S	No	No
AGR	1941	Jamuna-Meghna River Erosion Mitigation	4.27	2.76	S	S	No	No
AGR	1952	Rural Infrastructure Improvement	2.79	4.50	S	S	No	No
AGR	2070	Second Participatory Livestock Development	0.0	0.0				
ENE	1505	Ninth Power	90.01	81.86	S	PS	No	Yes
ENE	1730	Dhaka Power Systems Upgrade	24.80	22.13	S	S	No	No
ENE	1731	Dhaka Power Systems Upgrade	40.04	22.04	S	S	No	No
ENE	1884	West Zone Power System Development	21.08	13.94	S	S	No	No
ENE	1885	West Zone Power System Development	0.0	1.70	S	S	No	No
ENE	1942	Dhaka Clean Fuel	0.0	0.0	S	S	No	No
ENE	1943	Dhaka Clean Fuel	0.0	0.0	S	S	No	No
ENE	2038	Power Sector Development Program	0.0	0.0	S	S	No	No
ENE	2039	Power Sector Development Project	0.0	0.0	S	S	No	No
T & C	1561	Jamuna Bridge Railway Link	102.31	105.94	S	S	No	No
T & C	1708	Southwest Road Network Development	76.14	46.34	S	S	No	No
T & C	1789	Road Maintenance and Improvement	38.01	13.97	S	S	No	No
T & C	1790	Road Maintenance and Improvement	12.03	3.12	S	S	No	No
T & C	1825	Southwest Flood Damage Rehabilitation	55.92	51.62	S	HS	No	No
T & C	1920	Road Network Improvement and Maintenance I	0.0	0.0	S	S	No	No
T & C	2021	Road Network Improvement and Maintenance II	0.0	0.0	S	S	No	No
SOC	1538	Urban Primary Health Care	22.47	16.96	S	S	No	No
SOC	1690	Secondary Education Sector Improvement	32.88	31.07	S	S	No	No
SOC	1881	Post-Literacy and Continuing Education	1.37	2.75	S	S	No	No
SOC	1947	Urban Governance and Infrastructure Improvement (Sector)	0.0	4.0	S	S	No	No
SOC	2015	Second Primary Education Development Program	0.0	0.0	S	S	No	No
Total			635.6	526.8				

AGR = agriculture and natural resources, ENE = energy, SOC = social infrastructure, T&C = transport and communications, DO = development objectives, HS = highly satisfactory, IP = implementation progress, PS = partly satisfactory, S = satisfactory, U = unsatisfactory.

^a "Yes" for loans with four or more risk factors associated with partly satisfactory or unsatisfactory performance.

^b A loan is considered "at risk" if it is rated as "PS" or "U" in either implementation progress or development objectives, or if it is a potential problem loan.

Table A1.10: Assistance Pipeline for Lending Products, 2005–2006

Sector Project/Program Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				Cofi- nancing
						ADB			Gov't	
						OCR	ADF	Total		
2005 Firm Loans										
Agriculture and Natural Resources										
1. Southwest Area Integrated Water Resources Management	PI	ECO/ENV/ISD	SAAE	2003	tbd	0.0	30.0	30.0	tbd	NL
2. Agribusiness Development	PI	ECO/PSD	SAAE	2003	tbd	0.0	50.0	50.0	tbd	
Subtotal					tbd	0.0	80.0	80.0	tbd	
Energy										
3. Power Sector Development Program II	OTH	ECO/GOV/PSD	SAEN	2004	tbd	190.0	40.0	230.0	tbd	
4. Gas Sector Development Project	PI	ECO/GOV	SAEN	2004	tbd	120.0	0.0	120.0	tbd	tbd
Subtotal					tbd	310.0	40.0	350.0	tbd	
Finance										
5. Financial Markets Governance Improvement TA Loan	OTH	ECO/GOV/PSD	SAGF	2003	tbd	0.0	5.0	5.0	tbd	
Subtotal					tbd	0.0	5.0	5.0	tbd	
Health, Nutrition and Social Protection										
6. Urban Primary Health Care II	CPI	GAD/ISD	SASS	2003	tbd	0.0	70.0	70.0	tbd	SIDA/ UNFPA
7. Social Protection for Disadvantaged Women and Children	CPI	GAD/ISD	SASS	2003	tbd	0.0	15.0	15.0	tbd	WB
Subtotal					tbd	0.0	85.0	85.0	tbd	
Total						310.0	210.0	520.0	tbd	
2005 Standby Loan										
Water Supply, Sanitation and Waste Management										
1. Secondary Towns Water Supply and Sanitation	PI	ENV/GAD/ISD	SASS	2004	tbd	0.0	60.0	60.0	tbd	
Total					tbd	0.0	60.0	60.0	tbd	

Table A1.10—Continued

Sector Project/Program Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				Cofi- nancing
						ADB			Gov't	
						OCR	ADF	Total		
2006 Firm Loans										
Agriculture and Natural Resources										
1. Rural Infra. Improvement -II	PI	ECO/GAD	SAAE	2004	tbd	0.0	65.0	65.0	tbd	GER
Subtotal					tbd	0.0	65.0	65.0	tbd	
Education										
2. Secondary Education II	PI	GAD/ISD	SASS	2004	tbd	0.0	100.0	100.0	tbd	
Subtotal					tbd	0.0	100.0	100.0	tbd	
Energy										
3. Clean Fuel Development Project II	OTH	ECO/GOV PSD	SAEN		tbd	100.0	0.0	100.0	tbd	
Subtotal					tbd	100.0	0.0	100.0	tbd	
Transport and Communications										
4. Road Sector Development Project (Dhaka-Chittagong Highway)	OTH	ECO/REG PSD	SATC		tbd	140.0	5.0	145.0	tbd	DFID
Subtotal					tbd	140.0	5.0	145.0	tbd	
Water Supply, Sanitation and Waste Management										
5. Secondary Towns Water Supply and Sanitation	PI	ENV/ISD GAD	SASS	2004	tbd	0.0	60.0	60.0	tbd	
Subtotal					tbd	0.0	60.0	60.0	tbd	
Total						240.0	230.0	470.0	tbd	
2006 Standby Loan										
1. Urban Governance and Infrastructure Improvement Project II	PI	GOV/ISD/ GAD	SASS	2005	tbd	0.0	60.0	60.0	tbd	
2. Integrated Flood and Erosion Mitigation Management	CPI	ECO/ENV/ ISD	SAAE	2004	tbd	0.0	50.0	50.0	tbd	
Total					tbd	0.0	110.0	110.0	tbd	

ADB = Asian Development Bank; ADF = Asian Development Fund; DFID = Department for International Development, UK; ECO = sustainable economic growth; ENV = environmental sustainability; GAD = gender and development; GER = Germany; GOV = governance; ISD = inclusive social development; NL = the Netherlands; OCR = ordinary capital resources; PSD = private sector development; REG = regional cooperation; SAAE = South Asia Agriculture, Environment and Natural Resources Division; SAEN = South Asia Energy Division; SAGF = South Asia Governance, Finance, and Trade Division; SASS = South Asia Social Sectors Division; SATC = South Asia Transport and Communications; SIDA = Swedish International Development Agency; tbd = to be determined; UNFPA = United Nations Population Fund; WB = World Bank.

Table A1.11: Assistance Pipeline for Nonlending Products and Services, 2005–2006

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2005							
Agriculture and Natural Resources							
1. Command Area Development Project 2	SAAE	PP	tbd	600.0		0.0	600.0
2. Integrated Flood Erosion Mitigation Management	SAAE	PP	tbd	600.0		0.0	600.0
3. Assistance to Agribusiness Development	SAAE	ID	TASF	600.0		0.0	600.0
Subtotal				1,800.0		0.0	1,800.0
Energy							
4. Clean Fuel Development Project II	SAEN	PP	tbd	600.0		0.0	600.0
Subtotal				600.0		0.0	600.0
Finance							
5. Developing a Government Securities Market in Bangladesh	BRM	ETSW	IAE				
Subtotal							
Law and Public Sector Management							
6. Support for Good Governance Initiatives II	SAGF	ID		0.0	GCF	250.0	250.0
				0.0	PRCF	750.0	750.0
7. Strengthening National Accounts II	ERD	ID	TASF	400.0		0.0	400.0
8. Updating Macro Economic Model	BRM	ETSW	IAE				
Subtotal				400.0		1,000.0	1,400.0
Transport and Communications							
9. Institutional Support for Railway Sector Reforms	SATC	ID	TASF	800.0		0.0	800.0
10. Support for Public-Private Partnership in Padma Bridge	SATC	PP	tbd	800.0		0.0	800.0
Subtotal				1,600.0		0.0	1,600.0
Water Supply, Sanitation and Waste Management							
11. Urban Governance and Infrastructure Improvement II	SASS	PP	tbd	600.0		0.0	600.0
Subtotal				600.0		0.0	600.0
Total				5,000.0		1,000.0	6,000.0

Table A1.11—Continued

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2006							
Agriculture and Natural Resources							
1. Small-scale Water Resources Development III	SAAE	PP	tbd	600.0		0.0	600.0
2. Crops Diversification II	SAAE	PP	tbd	500.0		0.0	500.0
Subtotal				1,100.0		0.0	1,100.0
Industry and Trade							
3. SME Sector Development II	SAGF	PP	tbd	600.0		0.0	600.0
4. Trade Policy in light of WTO Commitments (TRIPS)	BRM	ETSW	IAE				
Subtotal				600.0		0.0	600.0
Education							
5. Early Childhood Education	SASS	PP	tbd	600.0		0.0	600.0
6. Capacity Building for Secondary Education Quality Improvement	SASS	ID	TASF	500.0		500.0	1,000.0
Subtotal				1,100.0		500.0	1,600.0
Transport and Communications							
7. Development of Transport Corridor for Trade Facilitation	SATC	PP	tbd	800.0		0.0	800.0
8. Institutional Support for Road Sector Reforms	SATC	ID	TASF	800.0		0.0	800.0
9. Development of a National Involuntary Resettlement Policy (Phase II)	BRM/SATC	ID	TASF	600.0		0.0	600.0
Subtotal				2,200.0		0.0	2,200.0
Total				5,000.0		500.0	5,500.0
2006 Standby							
1. Gas Sector Development Project II	SAEN	PP	TASF	400.0		0.0	400.0
Subtotal				400.0		0.0	400.0

ADB = Asian Development Bank; BRM = Bangladesh Resident Mission; ERD = Economics and Research Department; ETSW = economic, thematic, and sector work; GCF = Governance Cooperation Fund; PRCF = Poverty Reduction Cooperation Fund; IAE = internal administrative expenses; ID = institutional development; PP = project preparatory; SAAE = South Asia Agriculture, Environment, and Natural Resources Division; SAEN = South Asia Energy Division; SAGF = South Asia Governance, Finance, and Trade Division; SASS = South Asia Social Sectors Division; SATC = South Asia Transport and Communications Division; TASF = Technical Assistance Special Fund, tbd = to be determined; TRIPS = trade-related intellectual property rights, WTO = World Trade Organization.

CONCEPT PAPERS FOR LENDING PRODUCTS

This appendix contains the concept papers for the following lending products:

- (i) Table A2.1: Southwest Area Integrated Water Resources Management
- (ii) Table A2.2: Agribusiness Development
- (iii) Table A2.3: Power Sector Development Program II
- (iv) Table A2.4: Gas Sector Development Project
- (v) Table A2.5: Financial Market Governance Improvement TA Loan
- (vi) Table A2.6: Urban Primary Health Care II
- (vii) Table A2.7: Social Protection for Disadvantaged Women and Children
- (viii) Table A2.8: Secondary Towns Water Supply and Sanitation

**Table A2.1: Southwest Area Integrated Water Resources Management
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and Natural Resources Subsector: Irrigation and Drainage</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Agriculture, Environment and Natural Resources Division and Social Sectors Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Kenichi Yokoyama</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Water is a foundation of many traditional rural livelihood activities (rural areas are where most of the poor people live in Bangladesh). While sustainable and integrated water resources management (IWRM) is essential for rural poverty reduction and income growth, this is particularly challenging due to the diverse interests among various rural livelihood activities such as agriculture, fisheries, boat transportation, rural industries, and household water use, with which poverty is deeply intertwined. Water is also vital for the country's natural ecosystem and biodiversity, particularly wetlands. The National Water Management Plan (NWMP) approved by the Government in March 2004 provides the key national and regional programs, following the 1999 National Water Policy that has provided policy goals and an institutional framework toward effective water resources management and sustainable service delivery. To operationalize this policy, planning, and institutional framework, it is necessary to establish integrated water management plans at the subregional level and implement specific interventions with necessary capacity development support at the central and local levels, including beneficiary organizations. The proposed Project intends to assist this process in the selected hydrological subregions in the Southwest, by preparing IWRM plans</p>								

for the concerned subregion, building on the NWMP through project preparatory technical assistance (PPTA) and implementing the identified priority interventions through ADB loan financing, taking a demand-driven and participatory approach. The country strategy noted that the water sector is of fundamental importance in promoting economic growth and poverty reduction in Bangladesh. The country sector strategy focuses on policy and institutional development for sustainable water management and service delivery to support and advance the ongoing sector reforms while providing critical infrastructure, with sufficient stakeholder participation. The proposed Project will support the implementation of the country sector strategy.

b. Goal and purpose: The goal of the Project is to support the Government's poverty reduction effort through improved water resources management and service delivery while addressing diverse social and environmental concerns. It aims to enhance agricultural and income growth and poverty reduction in the concerned project area through establishing an effective IWRM planning framework at the subregional level and through implementing priority sector interventions while ensuring long-term operation and maintenance sustainability through effective local resource mobilization.

c. Components and outputs: On the basis of the integrated water management plan for the selected hydrological subregions to be prepared under the PPTA, the proposed Project will implement priority interventions that tentatively comprise (i) institutional development of water management associations (WMAs); (ii) improved infrastructure (on condition of sufficient WMA development); (iii) agriculture and fishery extension; (iv) any other poverty-focused and participatory priority interventions such as pilot rural arsenic mitigation, flood proofing, and other water-related livelihood support; and (v) capacity development of sector institutions (including executing agency, local governments, and WMAs). The primary focus for water resources infrastructure would be the medium- to large-scale schemes developed by the Bangladesh Water Development Board (BWDB), to which a bottom-up approach would be applied starting small subunits. The expected outcome of the Project will be the reduction of poverty through (i) increased agricultural production, (ii) increased employment opportunities, (iii) improved food security, and (iv) community mobilization and empowerment.

d. Expected results and deliverables: The Project will contribute to the implementation of the Government's strategy for poverty reduction through improved water resources management, which has culminated in the National Water Management Plan.

e. Social or environmental issues or concerns: The Project is expected to provide overall positive social and environmental impacts through improved coordinated water resources management at the local level while mitigating any negative social and environmental impacts.

f. Plans for disseminating results/deliverables: The Project will develop effective institutional procedures and arrangements for preparing integrated water management plans at the subregional level, and for developing an effective and sustainable water management infrastructure as well as WMAs to be applied to medium- to large-scale water resources schemes.

7. Proposed executing/implementing agency or agencies: Water Resources Planning Organization and Bangladesh Water Development Board

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Project will be formulated with intensive consultation with stakeholders including NGOs, adopting (i) stakeholder-driven scheme identification, (ii) formation/strengthening of WMAs, (iii) participation of WMAs in scheme design and construction supervision, and (iv) self-sustained operation and maintenance through WMAs' own resource mobilization.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2001
- b. Expected date of submission for approval
 - Lending: 2005
 - Nonlending (project preparatory): Not applicable
 - Nonlending (other than project preparatory): Not applicable
- c. Period and duration of assistance
 - Lending: 5 years
 - Nonlending: Not applicable

10. Financing Plan

a. For lending

- Ordinary capital resources: \$
 Asian Development Fund: \$30 million
 Other: \$

If cofinancing is required, indicate amount and sources sought: Amount to be determined, from Netherlands.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds
 Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, WMA = water management association.

**Table A2.2: Agribusiness Development
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and Natural Resources Subsector: Agriculture production, agro-processing and agri-business</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Agriculture, Environment and Natural Resources Division/ South Asia Department</p>								
<p>5. Responsible ADB officer: Jiangfeng Zhang</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Agriculture remains the mainstay of the Bangladesh economy, accounting for 23.1% of GDP, 23% of exports, and the livelihood of 60% of the population. Despite the large population of over 130 million, scarce cultivable land, a very high population density and the regular occurrence of natural calamities, Bangladesh's agriculture sector has performed well. Helped by increased productivity and successive bumper crops, in the past 3 years the sector's value added has grown 5% annually. As a result, the country is more or less self-sufficient in rice.</p> <p>Despite the natural advantages, agribusiness sector growth has been slow. The reasons for the slow growth include barriers to accessing bank financing, the erratic supply and relatively high prices and variable quality of raw materials for processing, a dearth of information on new technology, poor infrastructure and communications, and lack of cold-storage facilities and air cargo space. Most inputs are imported and the small domestic market for these limits the number of suppliers, giving rise to monopolies. The tariff structure for imported packaging material is a disincentive to agro-processing. The large number of small landholdings is also</p>								

a constraint. These constraints contribute to the perceived high risk and lack of competitiveness associated with agribusiness, leading to reluctance of entrepreneurs to invest in the sector. The private sector also cites political instability, law-and-order conditions, and corruption as being the root causes for the lack of investment. Some private sector representatives assert that private investment is being crowded out by NGOs because they have access to external agency funds and enjoy tax advantages.

Since Bangladesh is an agrarian country with a large rural population engaged in agriculture on increasingly fragmented landholdings, agribusiness is one of the primary means to poverty reduction. Development of agribusiness would also have considerable impact on women who contribute significantly to agriculture production and cottage and small-scale agro-enterprises and who are commonly employed in agro-processing establishments. Unless agribusiness becomes more competitive, Bangladesh will be unable to compete internationally when the WTO trade regime comes into full effect in 2005. In recognition of these factors, the Government has categorized agribusiness as a "thrust sector". Agricultural reforms over the last two decades, including dismantling state interventions and liberalizing trade in inputs and outputs, have established a conducive policy framework for agribusiness development. These policies, however, require refinements to be more effective. The Government also has a stated policy of leaving business in the hands of the private sector while it plays a facilitative and regulatory role. Despite the importance given to agribusiness, however, the Government has yet to develop a coherent strategy for the sector.

A sizable number of external agency programs are providing support to the Government's small and medium enterprise (SME) and agribusiness initiatives. These programs include the World Bank's Agricultural Services and Innovation Reform Project and Bangladesh Export Diversification Project, International Finance Corporation's South Asia Enterprise Development Facility, and United States Agency for International Development's Agro-based Industries and Technology and Development Project. The Department for International Development, the Swiss Development Corporation, and other external agencies are also undertaking joint efforts for the provision of business development services to SMEs and larger enterprises. ADB is financing the North West Crop Diversification Project, which includes a component for agribusiness development, and is developing a SME Sector Development Program.

b. Goal and purpose: The purpose of the TA is to help the Government design an agribusiness development project to address the fundamental problems in the sector. The goal is increased economic growth.

c. Components and outputs: The project components will be determined after a detailed assessment of the potential and constraints to agriculture and agribusiness development under the PPTA. The Project is envisaged to complement the existing external agency and government initiatives. Rather than having a large investment component, it would focus mainly on addressing systemic problems affecting the sector. The Project would create an enabling environment for business formation and growth by putting in place measures to improve transparency and accountability, addressing bureaucratic bottlenecks that increase the transaction cost of doing business, improving marketing systems, helping the country acquire new technology, and building government and private sector capacity. The Project will not be limited to specific subsectors or commodities but will identify opportunities for new investment that can be supported during the course of project implementation. The ensuing Project will identify and exploit possible synergies with other ongoing projects in order to optimize these investments by taking advantage of the existing infrastructure and production bases.

The TA output is a feasibility study that includes (i) a detailed evaluation of the constraints and impediments to the development of the agribusiness sector; (ii) proposed strategies for addressing and overcoming the more significant constraints including meeting WTO and other international trade requirements; (iii) identification of the limiting factors in acquisition of technology and the mechanism to accomplish this; and (iv) formulation of a project for further development of the agribusiness sector.

d. Expected results and deliverables: To be determined during PPTA implementation. An advisory TA will be provided with the view of developing overall policy and institution framework for agribusiness development.

e. Social or environmental issues or concerns: To be determined during PPTA implementation. The ensuing project is not expected to have significant adverse social and environmental impact, as it will promote improved resource management. It is expected to reduce social inequity through broad-based development that would benefit the small farmers and enterprises.

f. Plans for disseminating results/deliverables: To be determined during PPTA implementation.

7. Proposed executing/implementing agency or agencies: To be determined

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
 The PPTA fact-finding mission consulted the relevant ministries, Government agencies and institutions, nongovernment organizations, private sector groups including farmers organizations, processors, importers, and exporters to obtain their views on the existing situation, the trend, limiting factors, including policy issues, and necessary reforms to improve the sector's performance. Government agencies and stakeholders will be consulted during TA implementation and loan formulation.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2001

b. Expected date of submission for approval
 Lending: 2005
 Nonlending (project preparatory): 2003
 Nonlending (other than project preparatory): 2005

c. Period and duration of assistance
 Lending: To be determined
 Nonlending: To be determined during the PPTA fact-finding

10. Financing Plan

- a. For lending
- Ordinary capital resources: \$
 - Asian Development Fund: \$50 million
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget: \$
 - Grant TA funds \$600,000 (To be determined)
 - Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, WTO = World Trade Organization.

**Table A2.3: Power Sector Development Program II
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input checked="" type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Conventional energy generation</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Energy Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Chi Nai Chong</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The proposed sector development program, comprising a policy loan and an investment loan, is consistent with ADB's country operational strategy, the Government's poverty reduction strategies, and the current ongoing power sector reforms.</p> <p>b. Goal and purpose: The policy loan will further support financial stabilization of the sector entities (i.e., Power Grid Company of Bangladesh Ltd. (PGCB), DESCO/DESA, and successor companies) created with ADB support earlier, to enable improved governance of the sector through regulatory oversight, and to introduce structured competition and discipline in the sector. To facilitate support from the World Bank, Government of Netherlands, and Canadian International Development Agency (CIDA) for rural electrification, the investment component of the sector development program (SDP) loan will be more focused on support for generation, essential transmission, and distribution strengthening in urban areas.</p> <p>c. Components and outputs: The Program is expected to be implemented in phases and will include investment in needed power stations, transmission lines, and substations to supply energy to an increased number of customers and to improve quality of supply to existing customers. The program will also facilitate the</p>								

creation and capacity building of regional urban distribution companies from existing Bangladesh Power Development Board (BPDB) distribution areas as well as investment for connection of new customers and improved quality of supply in these urban areas.

d. Expected results and deliverables: The Program is targeted at economic growth and poverty reduction, human resources development, and good governance. The main beneficiaries of the Program will be electricity consumers in the entire country. The Program is also expected to provide basic infrastructure, which is essential for promoting private sector development.

e. Social or environmental issues or concerns: The Program will bring economic opportunities to poorer sections of the community, increase their access to electricity, and facilitate increased commercial activities.

f. Plans for disseminating results/deliverables: To be determined.

7. Proposed executing/implementing agency or agencies: BPDB and its successor companies, PGCB, DESCO/DESA, and successor companies

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Beneficiaries and other stakeholders, particularly staff from the executing agencies, are participating in program preparation and implementation.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2003

b. Expected date of submission for approval
 Lending: Q4 2005
 Nonlending (project preparatory): Not applicable
 Nonlending (other than project preparatory): Not applicable

c. Period and duration of assistance
 Lending: 5 years (Q2 2006-Q2 2011)
 Nonlending: Not applicable

10. Financing Plan

- a. For lending
 Ordinary capital resources: \$190 million
 Asian Development Fund: \$40 million
 Other: \$

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

- b. For nonlending
 No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds \$
 Other:

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, BPDB = Bangladesh Power Development Board, CSP = country strategy and program, DESA = Dhaka Electric Supply Authority, DESCO = Dhaka Electric Supply company Ltd., PGCB = Power Grid company of Bangladesh Ltd., RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A2.4: Gas Sector Development Project
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Conventional energy generation</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Energy Division/South Asia Department</p>								
<p>5. Responsible ADB officer: P. Abeygunawardena</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Natural gas accounts for almost 70% of commercial energy and 90% of electricity generation. Over time, the share of oil in the total energy mix has declined, and conversely the use of natural gas has increased. Natural gas will provide most of the current and future energy requirements, and the gas market needs to be expanded to optimize the use of natural gas resources and support economic development. The major issues in the sector include low gas extraction, and inadequate investment in the expansion of the gas production, transmission and distribution networks. This has curtailed the market and constrained gas production, causing supply shortages and disrupting economic activities particularly in fertilizer production and power generation.</p> <p>b. Goal and purpose: Facilitate gas sector development in Bangladesh and invest in the most urgent components of the Bangladesh Oil, Gas, and Mineral Corporation's gas sector master plan (2003-2020).</p> <p>c. Components and outputs: The project's components include (i) a sector development roadmap, (ii) policy reform measures, (iii) priority investments, and (v) institutional strengthening.</p>								

d. Expected results and deliverables: Same as above.

e. Social or environmental issues or concerns: As one of the country's key infrastructure, the development of the gas sector is necessary in promoting pro-poor economic growth. As a cleaner source of energy, positive environmental impacts will benefit the poor who are most adversely affected by pollution and environmental degradation. Policy reforms which lead to private sector development in the sector also supports pro-poor economic growth through job creation.

f. Plans for disseminating results/deliverables: Not applicable.

7. Proposed executing/implementing agency or agencies: Bangladesh Oil, Gas, and Mineral Corporation

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
The Government of Bangladesh, Ministry of Power Energy and Mineral Resources, Bangladesh Oil, Gas, and Mineral Corporation, Japan Bank for International Cooperation, United States Agency for International Development, World Bank, and Bangladesh Power Development Board were consulted during project processing.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2001

b. Expected date of submission for approval
Lending: 2004 (standby), 2005 (firm)
Nonlending (project preparatory): Not applicable
Nonlending (other than project preparatory): Not applicable

c. Period and duration of assistance
Lending: 2005-2009
Nonlending: Not applicable

10. Financing Plan

a. For lending

Ordinary capital resources: \$120 million

Asian Development Fund: \$

Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

b. For nonlending

No resources required, other than ADB staff

ADB's administrative budget: \$

Grant TA funds \$

Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A2.5: Financial Market Governance Improvement TA Loan
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input checked="" type="checkbox"/> Other: TA Loan</p> <p><input type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Finance Subsector: Capital market and funds</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Governance, Finance and Trade Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Soo-Nam Oh</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The financial sector is characterized by weak governance, poor asset quality, capital inadequacy, an ineffective legal and judicial framework, and poor accounting and auditing practices. The capital markets have ineffective market supervision, limited capacity of major market players, inadequate supply of capital market instruments, inadequate transparency, and slow development of market infrastructure. As a result, there is a low level of investor confidence in the financial markets. There has been some progress in banking sector reforms. The asset quality of the banking sector improved with non-performing loans declining to 28% at end-December 2002 from 31.5% at end-December 2001. The Government has embarked on an ambitious program to overhaul the banking sector with the assistance of the International Monetary Fund (IMF) and the World Bank. In contrast, despite several past efforts, the capital market is still at its emerging stage.</p> <p>b. Goal and purpose: In close coordination with the IMF and the World Bank, the Financial Markets Governance Improvement TA Loan will focus on developing institutional sources of funds that are professionally managed and that could effectively pool funds of retail investors, on strengthening the current system of</p>								

intermediation by promoting competition and leveling the playing field, and on financial market governance to help build the institutional foundations for a prudentially sound, stable and sustainable development of the sector.

c. Components and outputs: The TA Loan will support initiatives leading to improved governance in financial market operations and the development of requisite capacity, by focusing on, among others: (i) strengthening market discipline; (ii) strengthening the regulators; (iii) strengthening the financial capacity and development of skills of market participants, including the stock exchanges (demutualization), merchant banks, securities firms, and mutual funds; (iv) adoption and enforcement of accounting and auditing standards, training and certification of accounting professionals, and promoting good governance best practices among regulators, listed companies, issuers of securities, and other market players; (v) market deepening by increasing the supply of investment-grade securities through the securitization of loans, finance leases, government infrastructure projects, and quality microfinance portfolios and through possible privatization of selected state-owned financial institutions; (vi) the development of the money market, establishment of a dealer network and secondary market for government securities, and introduction of a market for private debt securities; (vii) insurance reform, including the possible merger and privatization of state-owned insurance companies and listing their shares on the exchange, strengthening insurance regulations and supervision, and capacity building of the department of insurance and vesting in the Finance Ministry; (viii) pension fund reform, including establishing the policy, legal, and regulatory framework; building supervision capacity, broadening pension coverage; and evolving the formation of a multi-pillar pension system; and (ix) assisting enactment of a secured transactions law for consideration by Parliament, and development, installation, and putting into operation of a moveable asset registry system.

d. Expected results and deliverables: The preliminary menu, subject to future refinement, includes (i) increased market share of the nonbanking subsector; (ii) increased market capitalization of listed firms; (iii) strengthened capital market regulatory and supervisory framework; (iv) increased funding flows from insurance companies, pension funds, and venture capital sources; (v) more developed treasury bill yield curve and operative money market safeguards; (vi) accounting and auditing practices raised toward international standards; (vii) reliable financial statements of borrowers, issuers of securities, and listed companies; and (viii) stronger management and more developed staff skills of market institutions.

e. Social or environmental issues or concerns: None identified

f. Plans for disseminating results/deliverables: Workshops and Seminars.

7. Proposed executing/implementing agency or agencies: Finance Division of Ministry of Finance and Planning

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

A high level policy workshop in November 2001 discussed the strategic issues in the finance sector identified in a diagnostic sector review and outlined response initiatives and potential areas of intervention for the international financial institutions and external funding agencies. In 2002, meetings with government officials and regulators and roundtable discussions with financial institutions and capital market players were held to discuss specific issues concerning the financial sector. As output of TA 3698-BAN, a report on integrated financial development was prepared and discussed with the TA Interagency Coordination Committee and various stakeholders. A financial sector strategy is in preparation. The TA 4236 on Financial Markets Governance Program will involve extensive stakeholder consultations and will build on the output of Part A of TA 4140-BAN: Supporting Good Governance Initiatives.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending: Q2 2005
 - Nonlending (project preparatory): Not applicable
 - Nonlending (other than project preparatory): Not applicable
- c. Period and duration of assistance
 - Lending: 3 years
 - Nonlending: Not applicable

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund: \$5 million
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds \$
 Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, CSP = country strategy and program, PPTA = project preparatory technical assistance, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A2.6: Urban Primary Health Care II
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p><input checked="" type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other: TA Loan</p> <p><input type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Health, Nutrition, and Social Protection Subsector: Health programs</p> <p>b. For project preparatory and lending, classification</p> <p><input checked="" type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input checked="" type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Social Sectors Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Sekhar Bonu</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Bangladesh's population has reached about 132 million people, of which about 30 million live in urban areas. Due to rural-urban migration, urban populations are increasing at about 6% per year. About 53% of the population in urban areas and 60% in rural areas are poor. About 25% of the urban populations are very poor, and mostly live in unsettled slums and squatter areas, in often very poor environmental circumstances. The infant mortality rate (IMR) in rural Bangladesh is estimated to be 81/1,000 live births while the IMR in urban slums is estimated to be at least 100/1,000, resulting from malnutrition and common infections due to overcrowded and unhygienic living conditions. Maternal malnutrition results in almost half of all children being born malnourished. Maternal mortality ratios are only slightly lower in urban slums than rural areas, even within the vicinity of hospitals. The Ministry of Health and Family Welfare (MHFW) has traditionally invested in urban hospitals and rural primary health care (PHC) and family planning services. Urban PHC services have been relatively neglected and left to the private sector and NGOs. However, there are major gaps in the services, and these are often not affordable for the poor. ADB has assisted the Urban PHC Project that developed urban PHC services for the poor in four major cities. In the Project, larger NGOs were contracted to provide basic PHC services for defined catchment populations based on specific</p>								

performance targets. The Government is keen to extend this approach to other underserved poor urban populations.

ADB's overarching goal in Bangladesh is poverty reduction. The country operational strategy recommends that the Government step up its investments in the social sectors, especially education, health, and nutrition, as these are essential for reducing deprivation and improving the quality of human resources for sustaining long-term growth. The country operational strategy also states that the Government needs to explicitly target the urban poor. Nutrition is almost overlooked and health has been, until recently, usually associated with family planning.

b. Goal and purpose: The purpose of the Project is to improve the health, nutrition, and population status of the urban poor living in squatter settlements in secondary towns. The aim is to provide, in about 30 catchment areas, a comprehensive package of PHC services to the poor that is effective, affordable, and sustainable. This will be done through a community-based, comprehensive planning approach based on local needs and resources, including both public and private health services.

c. Components and outputs: The PPTA tentatively may include (i) documentation of communities and public and private social services and financing; (ii) participatory poverty and needs assessment; (iii) preparation of a ward health master plan; and (iv) capacity building of the health management team. The loan may include (i) strengthening health management teams and monitoring systems, (ii) packaging and contracting PHC services, (iii) upgrading and equipping selective health services, (iv) training health workers, and (v) interventions to ensure inclusion of the marginalized poor.

d. Expected results and deliverables: These include: (i) increased utilization of PHC services by the poor, in particular women and children; (ii) improvement in the quality of public and private health services including emergency obstetric care as a result of adequate human resources, skills, supervision, and supplies; and (iii) participatory, transparent, and efficient management of health services, resulting in increased coverage with essential preventive, promotive, and curative interventions, such as immunization, fortified food, growth monitoring, management of diarrhea diseases, and safe motherhood services, all helping result in reduced maternal and child mortality and malnutrition, as well as reduced fertility.

e. Social or environmental issues or concerns: Inclusion of marginalized women and children, including single-parent-headed households and street children, and affordability of health services for the poor.

f. Plans for disseminating results/deliverables: Workshops and Seminars.

7. Proposed executing/implementing agency or agencies: Local Government Division/Dhaka City Corporation

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Participatory poverty assessment and planning will be undertaken in each ward.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2001

b. Expected date of submission for approval
 Lending: 2005
 Nonlending (project preparatory): 2003
 Nonlending (other than project preparatory): Not applicable

c. Period and duration of assistance
 Lending: 2005
 Nonlending: 2003

10. Financing Plan

- a. For lending
- Ordinary capital resources: \$
 - Asian Development Fund: \$70 million
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget: \$
 - Grant TA funds \$
 - Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, CSP = country strategy and program, PPTA = project preparatory technical assistance, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A2.7: Social Protection for Disadvantaged Women and Children
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p><input checked="" type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other: TA Loan</p> <p><input type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Health, Nutrition, and Social Protection Subsector: Social protection</p> <p>b. For project preparatory and lending, classification</p> <p><input checked="" type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input checked="" type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Social Sectors Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Axel Weber</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Estimates, based on poverty monitoring surveys, indicate that poverty incidence is about 45%. Among the poor, women and children are particularly disadvantaged. Women in Bangladesh are denied of equal rights and opportunities for sociocultural and other reasons. Their human rights are constantly violated at the family and community levels. The frequent reports of violence against women and discrimination have been a growing concern in recent years. Women bear the burden of poverty in a discriminatory situation and women of poor families are disadvantaged to participate in and gain according to their full potential from development efforts. ADB's Gender Strategy for Bangladesh emphasizes support for disadvantaged women and for implementation of the Beijing Platform for Action. ADB's Social Protection Strategy also intends to support the vulnerable and disadvantaged women.</p> <p>Children also require special attention. In Bangladesh, child labor is a problem; children live in slums and are denied basic services like education, health care, and nutrition. These children are almost always the children of the poorest people in urban areas. Child Hope-UNICEF estimated that 3 out of 10 urban children live in difficult circumstances and are involved in dangerous and hazardous jobs. There is violation of their rights at every stage</p>								

of their lives; they have no access to social protection or a support structure to prevent exploitation and negligence. The vulnerable children either live away from their families or have no families. Several projects address the needs of these children but only a very small number of these children have access to shelter, basic education, health care, and nutrition. The ADB Social Protection Strategy has as one of its main focal points the protection of children. The CSP suggests prioritizing areas that can increase the productivity of the poor, through nonformal, primary, and secondary education, and primary health care.

The Ministry of Women and Children Affairs (MWCA) and its agencies such as the Department of Women Affairs (DWA), has been functioning as the nodal agency for coordinating women's development activities at the field level and has undertaken various activities to support disadvantaged women. In 1995, an "Institutional Review of WID Capability of the Government of Bangladesh" found various institutional weaknesses of MWCA and DWA. Despite the weak institutional capacity, DWA has been providing support to women at the community level through its offices at the local level. MWCA is also responsible for coordinating the activities for child development and implementation of the Child Rights Convention. A new Department for Children has been proposed to be established under MWCA.

The proposed Project will assist MWCA and its agencies in serving the disadvantaged women, and children and will help in building its institutional capacity in supporting poor in accessing services and opportunities. This is in line with the National Policy for the Advancement of Women and the National Action Plan and the national Plan for Child Development. The Project will provide comprehensive support to the target groups. It will also raise community awareness against social crimes and strengthen the capacity of the executing and implementing agency staff to coordinate with the judiciary system, set up procedures and target group in accessing the existing institutional support system. It will explore possibilities to continue and extend existing models practiced by other agencies to address the basic needs of the target groups.

b. Goal and purpose: The Project aim to provide protection to the poor, especially disadvantaged women and children, on a pilot basis, through accessing socioeconomic and legal support. It will improve services for the target groups, improve the access to rights and to improve the capacity of the institutions in charge, especially MWCA.

c. Components and outputs: Service delivery: (i) drop-in centers for children, offering health, education, and other services; (ii) services for women in distress; and (iii) an awareness campaign at the community level. **Legal issues:** (i) link MWCA with the legal support system, (ii) look at the need for changes in law enforcement and support them, (iii) support ongoing activities in the field of birth registration, (iv) run an awareness campaign in favor of women's and children's rights. **Institutional strengthening:** (i) enhance the capacity of MWCA and its agencies, (ii) upgrade the skills of the local bodies with a view to support the target groups, (iii) look into the issue of information systems for the relevant policy areas, (iv) support the process of establishment of the Department of Children Affairs (DCA), (v) support the implementation of national plans for women and children, and (vi) provide the required infrastructure. **Project management and monitoring and evaluation:** (i) coordinate the various project components and partners to achieve a measurable impact, and (ii) help ensure effective management and implementation of the Project.

d. Expected results and deliverables: (i) The Project will provide comprehensive services to the poor, especially disadvantaged women and children; and (ii) the capacity of MWCA and its agencies will be developed in implementing the Policy for Women's Advancement, the National Children Policy, and the National Action Plan.

e. Social or environmental issues or concerns: It is essential to develop Government's capacity to cope with emerging priorities at the community level. The proposed Project is expected to provide positive social impacts through improved and better coordinated support to economically and socially disadvantaged women and children at the local level.

f. Plans for disseminating results/deliverables: The good practices and lessons from the Project will be documented, disseminated, and replicated in other similar projects supported by ADB and the Government. The systems developed by the Project will be applicable in other areas of the country and the region.

7. Proposed executing/implementing agency or agencies: Ministry of Women and Children Affairs in collaboration with other ministries and NGOs.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Extensive consultation with various stakeholders will be held at the PPTA phase. The National Action Plan, and other documents are prepared through extensive country-based consultations, discussion with government ministries and line agencies. Consultation with various NGOs and external funding agencies will provide useful information.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2003
- b. Expected date of submission for approval
 - Lending: 2005
 - Nonlending (project preparatory): Not applicable
 - Nonlending (other than project preparatory): Not applicable
- c. Period and duration of assistance
 - Lending: Not applicable
 - Nonlending: 6 months

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund: \$15 million
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget: \$
 - Grant TA funds \$
 - Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, DWA = Department of Women Affairs, MWCA = Ministry of Women and Children Affairs, NGO = nongovernment organization, PPTA = project preparatory technical assistance, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A2.8: Secondary Towns Water Supply and Sanitation
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: TA Loan</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Water Supply, Sanitation and Waste Management Subsector: Water Supply and Sanitation</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input checked="" type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Social Sectors Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Shakeel Khan</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Despite ADB's continuing involvement in the sector, water supply and sanitation services in Bangladesh are still inadequate, with less than half of urban population having access to piped water. Given the high incidence of water-related diseases, the need for improving water supply and sanitation services is pressing. In this regard, the Project will continue to support the Government's effort in expanding the national coverage of water and sanitation services to urban secondary towns. The experiences of the earlier projects in the water supply sector will be taken into account in addressing sector policy issues in financial management, institutional strengthening, and cost recovery.</p> <p>ADB is the major funding agency in the water supply and sanitation sector. Its continued support to the sector is essential to carry forward sector policy reforms and build institutional capacity for sustainable delivery of services. Close coordination with other funding agencies was made during the implementation of the recently completed projects.</p> <p>b. Goal and purpose: The Project will be designed to provide a sustainable and safe water supply as well as sanitation services in selected district towns to (i) improve health conditions and introduce public health and</p>								

hygiene concepts, (ii) enhance the standard of living and quality of life of households, and (iii) accelerate industrial and commercial development. The improvements in physical facilities will be complemented with institutional development, focused on improving operational efficiencies, reducing wastage, strengthening cost recovery and financial management, and institutionalizing the community participation approach to water supply facilities to ensure the long-term sustainability of the benefits.

c. Components and outputs: Following that integrated approach, the project concept is to improve water supply services in two phases: (i) rehabilitate the existing water supply facilities, and (ii) expand the service coverage to meet the future water demand. This will ensure that the investments are cost effective. The control of wastage will be an important feature of the design, and include bulk metering to monitor the production and distribution process. Environmental sanitation services, such as solid waste management, public latrines, and wastewater management under the responsibility of *pourashavas*/municipalities, will be complemented by a household environmental sanitation program covering latrines, hygiene education, and wastewater and solid waste management. The Project (tentatively) will have three parts: Part A: Water Supply Services; Part B: Environmental Sanitation Services; and Part C: Project Management and Institutional Development.

d. Expected results and deliverables: Under the Project, the *pourashavas* will contribute their own funds to the Project. In addition, 50% of the funds provided to the *pourashavas* will be in the form of loans from the Government. The loans will provide an incentive for the *pourashavas* to become financially responsible, raise revenues, and improve their financial management of water supply operations. Eventually, the separate accounting and financial arrangements for water supply, which will be established under the Project, may convert the water supply sections in the Project's municipalities into autonomous bodies. The Project will include beneficiary contributions for latrines, and wastewater management facilities within the households under the household environmental sanitation programs. NGOs will work in community awareness, health education, household environmental sanitation programs, and the operation of the revolving funds under which loans will be provided to beneficiaries.

e. Social or environmental issues or concerns: To be determined.

f. Plans for disseminating results/deliverables: Local consultations, workshops and seminars.

7. Proposed executing/implementing agency or agencies: The Department of Public Health Engineering (DPHE), Ministry of Local Government, will be the executing agency and will be responsible for the overall technical supervision and execution of the Project. The *pourashavas* will be closely involved in the implementation of the project components in their respective towns.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: In each *pourashava*, a Water Supply and Sanitation (WATSAN) Committee will be set up under the *pourashava* chairperson. Its membership will include the chief executive officer, the executive engineer, and two ward commissioners of the *pourashava*, and the executive engineer of DPHE. It may also include NGO representatives, as appropriate. The WATSAN Committee will act as the local level project implementation coordination committee to review progress and resolve problems and issues in the implementation of the Project.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2001
- b. Expected date of submission for approval
 - Lending: 2006
 - Nonlending (project preparatory): Not applicable
 - Nonlending (other than project preparatory): Not applicable
- c. Period and duration of assistance
 - Lending: 5 years starting Q1 in 2007
 - Nonlending: Not applicable

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund: \$60 million
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	
b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: \$ <input type="checkbox"/> Grant TA funds \$ <input type="checkbox"/> Other:	
If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.	
Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

CONCEPT PAPERS FOR NONLENDING PRODUCTS AND SERVICES

This appendix contains the concept papers for the following nonlending products:

- (i) Table A3.1: Command Area Development Project II
- (ii) Table A3.2: Integrated Flood Erosion Mitigation Management
- (iii) Table A3.3: Clean Fuel Development Project II
- (iv) Table A3.4: Developing a Government Securities Market in Bangladesh
- (v) Table A3.5: Support for Good Governance Initiatives II
- (vi) Table A3.6: Strengthening National Accounts II
- (vii) Table A3.7: Updating Macroeconomic Model
- (viii) Table A3.8: Institutional Support for Railway Sector Reforms
- (ix) Table A3.9: Support for Public-Private Partnership in Padma Bridge
- (x) Table A3.10: Urban Governance and Infrastructure Improvement II

Table A3.1: Command Area Development Project II Concept Paper

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p style="margin-left: 20px;"><input type="checkbox"/> Project loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector development program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Project preparatory</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other than project preparatory</p> <p style="margin-left: 40px;"><input type="checkbox"/> Economic, thematic, and sector work</p> <p style="margin-left: 40px;"><input type="checkbox"/> Institutional development</p> <p style="margin-left: 40px;"><input type="checkbox"/> Other:</p>		
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and Natural Resources Subsector: Irrigation and Drainage</p> <p>b. For project preparatory and lending, classification</p> <p style="margin-left: 20px;"><input type="checkbox"/> Core poverty intervention</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Poverty intervention</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Sustainable economic growth <input type="checkbox"/> Inclusive social development <input checked="" type="checkbox"/> Governance <input type="checkbox"/> Gender and development </td> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Environmental sustainability <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Private sector development </td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth <input type="checkbox"/> Inclusive social development <input checked="" type="checkbox"/> Governance <input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Environmental sustainability <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Private sector development
<input checked="" type="checkbox"/> Sustainable economic growth <input type="checkbox"/> Inclusive social development <input checked="" type="checkbox"/> Governance <input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Environmental sustainability <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Private sector development	
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>		
<p>4. Responsible division/department: Agriculture, Environment and Natural Resources Division/ South Asia Department</p>		
<p>5. Responsible ADB officer: Ki Hee Ryu</p>		
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Since 90% of the country's poor live in rural areas with a high concentration of absolute poor in areas of unreliable food supply and low agricultural productivity, promoting agricultural growth is a critical element of the Government's development strategies that emphasize food self-sufficiency and poverty reduction. Improving the irrigation system's performance and sustainability of the existing flood control, drainage, and irrigation (FCDI) schemes is of particular relevance, given its cost-effectiveness and quick gestation period. This requires improving on-farm and other irrigation facilities and establishing sustainable water management associations (WMAs) to attain efficient water use within the FCDI command. The ADB-assisted Command Area Development Project (CAD: Loan 1399-BAN) is providing support to this direction in two FCDI systems. The proposed Project intends to implement these interventions in other established FCDI schemes, on condition of the demonstration of sustained benefits of the CAD Project through effective beneficiary participation, including sufficient local resource mobilization for operation and maintenance.</p>		

The 2000 country strategy and program noted that the water sector is of fundamental importance in promoting economic growth and poverty reduction in Bangladesh. The country sector strategy focuses on institutional development of sustainable water management and service delivery while providing critical infrastructure with stakeholder participation. The proposed Project will support the implementation of the strategy.

b. Goal and purpose: The goal of the PPTA and the ensuing project is to support the Government's poverty reduction effort through improved FCDI scheme management. It aims to enhance agricultural and income growth and poverty reduction in the concerned FCDI project area through improved irrigation and flood control infrastructure and establishment of WMAs that can operate and maintain delegated infrastructure in a sustainable manner with necessary local resource mobilization.

c. Components and outputs: On condition of the demonstrated performance of the ongoing CAD Project in terms of economic benefits and sustainability with participatory operation and maintenance, including cost recovery, the proposed PPTA will prepare a feasible investment project that tentatively comprises (i) institutional development of Water Users Associations (WUAs); (ii) improved infrastructure (on condition of sufficient WMA development); (iii) agriculture and fishery extension; and (iv) capacity development of sector institutions (including executing agency, local government, and WMAs). While the concerned FCDI schemes are categorized as large-scale projects, the Project will take a bottom-up approach that would be applied starting with small subunits. The necessary infrastructure will be provided only after confirmation of the sufficient ownership of WMA and beneficiary contribution to this end. The expected outcome of the Project will be the reduction of poverty through (i) increased agricultural production, (ii) increased employment opportunities, (iii) improved food security, and (iv) community mobilization and empowerment.

d. Expected results and deliverables: The PPTA and the ensuing project will contribute to the implementation of the Government's strategy for poverty reduction through improved water resources management, as reflected in the National Water Management Plan approved in March 2004.

e. Social or environmental issues or concerns: The proposed Project is expected to provide overall positive social and environmental impacts through improved and better coordinated water resources management at the local level. While the proposed intervention may cause social conflicts and negative environmental impacts within and outside of the project area, the project will provide appropriate mitigation measures to address those impacts, with sufficient consultation with diverse stakeholders.

f. Plans for disseminating results/deliverables: The Project will develop effective institutional procedures and arrangements for enhancing the productivity and sustainability of FCDI schemes.

7. Proposed executing/implementing agency or agencies: Bangladesh Water Development Board (BWDB)

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
The project will be formulated under a PPTA in 2005 based on intensive consultation with stakeholders, including NGOs.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2001
- b. Expected date of submission for approval
 - Lending: Not applicable
 - Nonlending (project preparatory): February 2005
 - Nonlending (other than project preparatory): Not applicable
- c. Period and duration of assistance
 - Lending: Not applicable
 - Nonlending: 9 months

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund: \$
 - Other: \$

If cofinancing is required, indicate amount and sources sought: Amount to be determined, from Netherlands.
If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	
b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: \$ <input checked="" type="checkbox"/> Grant TA funds \$600,000 (To be determined) <input type="checkbox"/> Other:	
If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.	
Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, FCDI = flood control, drainage, and irrigation, PPTA = project preparatory technical assistance, RCSP = regional cooperation strategy and program, TA = technical assistance.

Table A3.2: Integrated Flood Erosion Mitigation Management Concept Paper

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p style="margin-left: 20px;"><input type="checkbox"/> Project loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector development program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Project preparatory</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other than project preparatory</p> <p style="margin-left: 40px;"><input type="checkbox"/> Economic, thematic, and sector work</p> <p style="margin-left: 40px;"><input type="checkbox"/> Institutional development</p> <p style="margin-left: 40px;"><input type="checkbox"/> Other:</p>		
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and Natural Resources Subsector: Water resources management</p> <p>b. For project preparatory and lending, classification</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Core poverty intervention</p> <p style="margin-left: 20px;"><input type="checkbox"/> Poverty intervention</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Sustainable economic growth</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Inclusive social development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Governance</p> <p style="margin-left: 20px;"><input type="checkbox"/> Gender and development</p> </td> <td style="width: 50%; vertical-align: top;"> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Environmental sustainability</p> <p style="margin-left: 20px;"><input type="checkbox"/> Regional cooperation</p> <p style="margin-left: 20px;"><input type="checkbox"/> Private sector development</p> </td> </tr> </table>	<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Sustainable economic growth</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Inclusive social development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Governance</p> <p style="margin-left: 20px;"><input type="checkbox"/> Gender and development</p>	<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Environmental sustainability</p> <p style="margin-left: 20px;"><input type="checkbox"/> Regional cooperation</p> <p style="margin-left: 20px;"><input type="checkbox"/> Private sector development</p>
<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Sustainable economic growth</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Inclusive social development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Governance</p> <p style="margin-left: 20px;"><input type="checkbox"/> Gender and development</p>	<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Environmental sustainability</p> <p style="margin-left: 20px;"><input type="checkbox"/> Regional cooperation</p> <p style="margin-left: 20px;"><input type="checkbox"/> Private sector development</p>	
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>		
<p>4. Responsible division/department: Agriculture, Environment and Natural Resources Division/ South Asia Department</p>		
<p>5. Responsible ADB officer: Kenichi Yokoyama</p>		
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Flood and river erosion is a profound problem in Bangladesh, causing major loss of land and livelihoods along major rivers and vast low-lying areas, where poverty is most seriously concentrated. Addressing this issue has been established as one of the fundamental strategic thrusts of the National Water Management Plan (NWMP) approved in March 2004. In line with the NWMP and taking into account the experience of ADB and other funding agencies in this area, the proposed Project intends to define a comprehensive flood and erosion mitigation management strategy and programs establishing the most appropriate combination of nonstructural and structural measures suitable to the socioeconomic conditions of the country, and to provide critical investments through a poverty-oriented and participatory approach.</p> <p>The water resources sector is of fundamental importance in promoting economic growth and poverty reduction in Bangladesh. The country sector strategy focuses on institutional development of sustainable water management and service delivery institutions while providing critical infrastructure with strong stakeholder participation. The proposed Project will support the implementation of the strategy.</p>		

b. Goal and purpose: The goal of the project preparatory technical assistance (PPTA) and the ensuing loan Project is to support the Government's poverty reduction effort through effective flood and erosion management, targeting the most vulnerable geographic areas and the population therein. It aims to protect and enhance poor people's livelihood through provision of homestead platforms, low-cost and labor-intensive erosion mitigation measures, and a range of nonstructural measures with intensive stakeholder participation.

c. Components and outputs: The PPTA will comprise (i) detailed flood and erosion mitigation subsector assessments, (ii) preparation of a national strategy and a framework plan for integrated flood and erosion mitigation management, and (iii) preparation of a feasible investment project for ADB finance. The ensuing loan project would tentatively comprise (i) institutional strengthening for flood and river erosion mitigation management including master plan formulation and associated studies and data management, (ii) nonstructural measures such as zoning of flood- and erosion-prone areas, forecasting and warning systems, and disaster preparedness and management systems, and (iii) cost-effective small-scale structural measures such as flood proofing and low-cost erosion mitigation structures along with the necessary development of community-based organizations (CBOs) that can sustain the facilities through local resource mobilization, with the engagement of local governments and nongovernment organizations (NGOs), focusing on most vulnerable areas such as deeply flooded areas and char land.

d. Expected results and deliverables: The PPTA and the ensuing Project will contribute to the implementation of the Government's strategy for poverty reduction through targeted interventions for flood and erosion mitigation in the most vulnerable areas and population, which has been identified as one of the priorities in the NWMP.

e. Social or environmental issues or concerns: The proposed Project is expected to provide overall positive social and environmental impacts through improved and cost-effective coping methodology for flood and erosion hazards. A critical social concern would be the capacity development of community organizations (CBOs) to establish, operate, and maintain the mitigation measures with necessary beneficiary contribution to ensure their sustainability.

f. Plans for disseminating results/deliverables: The proposed PPTA and the Project will develop strategy, a master plan, and programs for effective flood and erosion mitigation management for the country, and implement priority interventions while establishing effective institutional procedures and arrangements to promote effective mitigation measures with a focus on the most vulnerable population. Its successful implementation will contribute to strengthening of the national planning and program framework while expanding the mitigation measures to the remaining vulnerable population.

7. Proposed executing/implementing agency or agencies: Bangladesh Water Development Board (BWDB) and Local Government Engineering Department (LGED)

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Project will be formulated under a PPTA in 2004 based on intensive consultation with stakeholders including NGOs, adopting (i) stakeholder-driven schemes identification, (ii) formation of effective CBOs, (iii) participation of CBOs in schemes design and construction supervision, and (iv) self-sustained operation and maintenance through CBOs' own resource mobilization.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2001
- b. Expected date of submission for approval
 - Lending: Not applicable
 - Nonlending (project preparatory): September 2005
 - Nonlending (other than project preparatory): Not applicable
- c. Period and duration of assistance
 - Lending: Not applicable
 - Nonlending: 9 months (to start in 2005)

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund: \$
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds \$600,000 (To be determined)
 Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, CSP = country strategy and program, IWRM = integrated water resources management, NWMP = National Water Management Plan, PPTA = project preparatory technical assistance, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.3: Clean Fuel Development Project II
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Conventional energy generation</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Energy Division/South Asia Department</p>								
<p>5. Responsible ADB officer: P. Abeygunawardena</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The PPTA and the ensuing loan project are consistent with the Government's and ADB's environmental improvement strategies and the increased usage of domestic energy resources.</p> <p>b. Goal and purpose: The PPTA and the ensuing loan project will be focused on an improved environment and health-related issues as well as increased use of domestic resources in replacing imported energy for the transport sector.</p> <p>c. Components and outputs: The PPTA will help prepare an ensuing loan project in 2006, which is expected to be implemented in phases and will include compressed natural gas (CNG) filling stations and vehicles (CNG buses and conversion kits for petrol cars) and back-bone infrastructure regarding gas transmission and distribution pipelines in various cities of Bangladesh.</p>								

<p>d. Expected results and deliverables: The PPTA will help prepare a loan project, which is targeted at economic growth and a positive environmental impact with the purpose of boosting future private sector participation.</p> <p>e. Social or environmental issues or concerns: The PPTA will help carry out detailed social and environmental assessments. The ensuring loan Project will bring economic growth to the country and have a major positive environmental impact.</p> <p>f. Plans for disseminating results/deliverables: To be determined.</p>																				
<p>7. Proposed executing/implementing agency or agencies: Gas Transmission Company Ltd., Rupantarito Praktirik Gas Company Ltd., and gas distribution companies.</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Beneficiaries and other stakeholders, including staff from the executing agencies will participate in project preparation and implementation.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004</p> <p>b. Expected date of submission for approval Lending: Not applicable Nonlending (project preparatory): Q1 2005 Nonlending (other than project preparatory): Not applicable</p> <p>c. Period and duration of assistance Lending: Not applicable Nonlending: 8 months (to start 2005)</p>																				
<p>10. Financing Plan</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources: \$</p> <p><input type="checkbox"/> Asian Development Fund: \$</p> <p><input type="checkbox"/> Other: \$</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source: _____</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input type="checkbox"/> ADB's administrative budget: \$</p> <p><input checked="" type="checkbox"/> Grant TA funds \$600,000 (To be determined)</p> <p><input checked="" type="checkbox"/> Other: Nordic Development Fund</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source: _____</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost	
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ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.4: Developing a Government Securities Market in Bangladesh
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Finance Subsector: Capital market and funds</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <p> <input checked="" type="checkbox"/> Sustainable economic growth</p> <p> <input type="checkbox"/> Inclusive social development</p> <p> <input type="checkbox"/> Governance</p> <p> <input type="checkbox"/> Gender and development</p> <p> <input type="checkbox"/> Environmental sustainability</p> <p> <input type="checkbox"/> Regional cooperation</p> <p> <input checked="" type="checkbox"/> Private sector development</p>
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>
<p>4. Responsible division/department: Bangladesh Resident Mission/South Asia Department</p>
<p>5. Responsible ADB officer: To be determined (Economics unit)</p>
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: An underdeveloped and shallow financial sector in Bangladesh has been identified as a major constraint in achieving faster private sector-led economic growth. A government securities market can play a critical role in developing the financial sector by mobilizing savings, reducing dependence on bank borrowing, providing a risk-free benchmark yield curve for the private issuance of bonds, and facilitating the formation of a liquid secondary market. The proposed study is consistent with the Government's and ADB's objective of achieving faster private sector-led economic growth.</p> <p>b. Goal and purpose: The purpose of this study is to assess the policy environment, and identify the necessary institutional arrangements and regulatory reforms needed to promote a government securities market with a view to strengthening the domestic financial sector.</p> <p>c. Components and outputs: The output will be in the form of a report that will identify the procedural and institutional changes required to develop the primary and secondary market for government securities throughout the maturity spectrum.</p>

<p>d. Expected results and deliverables: Greater understanding of the issues involved in developing a government securities market. A risk-free benchmark yield curve throughout the maturity spectrum.</p> <p>e. Social or environmental issues or concerns: Not applicable.</p> <p>f. Plans for disseminating results/deliverables: Workshops and policy dialogue with the Government.</p>																				
<p>7. Proposed executing/implementing agency or agencies: Not applicable</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The need for assistance was highlighted during discussions with Government and private sector organizations.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2002</p> <p>b. Expected date of submission for approval Lending: Not applicable Nonlending (project preparatory): Not applicable Nonlending (other than project preparatory): 2005</p> <p>c. Period and duration of assistance Lending: Not applicable Nonlending: 2 months</p>																				
<p>10. Financing Plan</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources: \$</p> <p><input type="checkbox"/> Asian Development Fund: \$</p> <p><input type="checkbox"/> Other: \$</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source:</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input checked="" type="checkbox"/> ADB's administrative budget: \$15,000</p> <p><input type="checkbox"/> Grant TA funds \$</p> <p><input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source:</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost	
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ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.5: Support for Good Governance Initiatives II
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Law and Public Sector Management Subsector: National Government Administration</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Governance, Finance and Trade Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Arjun Goswami</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The Interim National Poverty Reduction Strategy (I-NPRS) adopted by the Government in 2003 sets a series of social development targets to be met by 2015, guided by the need to increase the pace of poverty reduction and GDP growth. The I-NPRS explicitly recognizes the importance of governance, and in particular participatory governance, in achieving national poverty reduction goals. The Government is currently working on a full-fledged Poverty Reduction Strategy to be completed by end-2004 that will build on the foundation of the I-NPRS. There is a need for sustained core governance support from ADB to follow on from the timely support offered by ADB's TA in Support of Good Governance Initiatives (TA 4140-BAN) processed in 2003 and being implemented in 2004.</p> <p>b. Goal and purpose: The purpose of the TA is to support a governance initiative that seeks to address core governance constraints that limit the ability of sectors to make more than modest improvements in poverty reduction and economic growth. Those core governance constraints relate to the challenging law-and-order situation and limitations of the justice sector and law enforcement agencies in checking debt defaults, crime and corruption.</p>								

<p>c. Components and outputs: There will be two components (i) support for the operationalization of the Independent Anticorruption Commission (Part A), and (ii) support for development of institutional mechanisms for self enforcement (bailiffs) and commercial courts, an independent public prosecution service and criminal courts, and separation of executive and judiciary (Part B).</p> <p>d. Expected results and deliverables: Pilot testing support for IACC operations (Part A) Diagnostic study and needs assessment for self enforcement, commercial courts, public prosecution, criminal courts and separation of executive and judiciary (Parts B). Pilot test reports and diagnostic and needs assessment reports by end of TA.</p> <p>e. Social or environmental issues or concerns: Not applicable</p> <p>f. Plans for disseminating results/deliverables: Consultations and workshops.</p>																				
<p>7. Proposed executing/implementing agency or agencies: IACC (Part A); Ministry of Law and Justice (Part B)</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The need for assistance was highlighted during discussions with the Government.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004</p> <p>b. Expected date of submission for approval Lending: Not applicable Nonlending (project preparatory): Not applicable Nonlending (other than project preparatory): 2005</p> <p>c. Period and duration of assistance Lending: Not applicable Nonlending: 8 months</p>																				
<p>10. Financing Plan</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources: \$</p> <p><input type="checkbox"/> Asian Development Fund: \$</p> <p><input type="checkbox"/> Other: \$</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source:</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input type="checkbox"/> ADB's administrative budget: \$</p> <p><input type="checkbox"/> Grant TA funds \$</p> <p><input checked="" type="checkbox"/> Other: \$750,000 (PRCF) and \$250,000 (GCF)</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source:</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost	
Source	Amount (\$)																			
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Government Financing																				
Other Financing																				
Total Cost																				

ADB = Asian Development Bank, CSP = country strategy and program, GCF = Governance Cooperation Fund, PRCF = Poverty Reduction Cooperation Fund, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.6: Strengthening National Accounts II
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: TA Loan</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Law and Public Sector Management Subsector: Public Finance and Expenditure Management</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Development Indicators and Policy Research Division / Economics and Research Department</p>								
<p>5. Responsible ADB officer: To be determined</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Comprehensive, current, and credible national accounts statistics are required for prudent decision- and policy-making processes. In particular, national accounts statistics provide the basis for assessing economic performance over time, and determining the size of the economy and its structure. The 1993 System of National Accounts (SNA) provides basic statistical tools for constructing a set of economic accounts to measure the production of goods and services within an economy. The 1993 SNA consists of a coherent, consistent, and integrated set of macroeconomic accounts, balance sheets, and tables based on a set of internationally accepted concepts, definitions, classifications, and accounting rules. It provides a comprehensive accounting framework within which economic data can be compiled and presented in a format that is designed for purposes of economic analysis, and decision- and policy-making processes. In practice, the accounts are compiled for a succession of time periods, thus providing a continuing flow of information that is indispensable for the monitoring, analysis, and evaluation of the performance of an economy over time. The SNA-based accounts provide information not only about economic</p>								

activities, but also about the levels of an economy's productive assets and the wealth of its inhabitants at particular points of time. Finally, the SNA includes an external account that displays the links between an economy and the rest of the world.

Because the 1993 SNA is a broad and complete system, its adoption in Bangladesh by the Bangladesh Bureau of Statistics (BBS) is not yet complete. BBS requires assistance with other aspects of the system such as institutional sector accounts, input-output (I-O) tables, and social accounting matrices (SAMs). In addition, as uncovered by the Asian financial crisis, there is an increasing and pressing need for more timely and high-quality information. Annual estimates of national accounts are no longer sufficient; estimates should be produced quarterly. BBS needs assistance to be able to produce improved (in terms of timeliness and quality) quarterly national accounts estimates.

b. Goal and purpose: The overall objective is to help BBS strengthen its capacity in the field of national accounts. The specific purposes are (i) to build the capacity at BBS to improve its quarterly national accounts estimates and to produce estimates of institutional sector accounts, I-O tables, and SAMs; and (ii) to enhance its statistical coordinating mechanism.

c. Components and outputs: The proposed Project will consist of four components: (i) advisory services on how to improve the estimates of quarterly national accounts and produce estimates of institutional sector accounts, I-O tables, and SAMs; (ii) special surveys and data compilation activities; (iii) training/workshop and dissemination activities; and (iv) equipment.

d. Expected results and deliverables: These comprise: (i) establishment of a well-functioning system of national accounts compilation; (ii) a handbook on the Bangladesh System of National Accounts; (iii) some publications on quarterly national accounts, institutional sector accounts, I-O tables, and SAMs; and (iv) improved coordination among data producers and users of national accounts.

e. Social or environmental issues or concerns: Not applicable.

f. Plans for disseminating results/deliverables: These comprise: (i) publication of quarterly national accounts; (ii) publication of institutional sector accounts and a book on the Bangladesh System of National Accounts; and (iii) publication of the I-O tables and SAMs.

7. Proposed executing/implementing agency or agencies: Bangladesh Bureau of Statistics

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The full involvement of the executing agency is expected. Consultation with relevant main data producers (such as line ministries and other government agencies) and the main data users, such as the Planning Commission and international community, will be held.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending: Not applicable
 - Nonlending (project preparatory): Not applicable
 - Nonlending (other than project preparatory): Q3 2005
- c. Period and duration of assistance
 - Lending: Not applicable
 - Nonlending: 3 years

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund: \$
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.
If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget: \$
 - Grant TA funds \$400,000 (TASF)
 - Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, BBS = Bangladesh Bureau of Statistics, CSP = country strategy and program, I-O = input-output, RCSP = regional cooperation strategy and program, SAM = social accounting matrix, SNA = System of National Accounts, TA = technical assistance.

**Table A3.7: Updating Macroeconomic Model
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: TA Loan</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Law and Public Sector Management Subsector: Economic Management</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Bangladesh Resident Mission/South Asia Department</p>								
<p>5. Responsible ADB officer: To be determined (Economics Unit)</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The macroeconomic model developed by the Bangladesh Resident Mission (BRM) in 2001 provides a framework for making rational and consistent predictions about Bangladesh's overall economic performance, balance of payments, national accounts, and financial sector balances. The model also has the capability to generate alternative macroeconomic policy simulations. Currently, the model is used as a tool in BRM for macroeconomic analysis. The model is expected to adapt to changes in the economy and ADB's analytical requirements. It will be necessary to incorporate in the model new data and capture new features arising from changes in economic structure, policy stances, policy regimes, and solution techniques. It will also be necessary to update parameter estimates in the model and incorporate results of the latest macroeconomic studies.</p> <p>b. Goal and purpose: The purpose of the study is to update the model to make it more relevant to changing needs over time and to make it more user friendly.</p> <p>c. Components and outputs: An updated macroeconomic model will become available.</p>								

<p>d. Expected results and deliverables: It will be possible to predict Bangladesh's macroeconomic outcomes more reliably and accurately.</p> <p>e. Social or environmental issues or concerns: Not applicable</p> <p>f. Plans for disseminating results/deliverables: The updated model will be available for use in ADB.</p>																				
<p>7. Proposed executing/implementing agency or agencies: Not applicable</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Not applicable</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2002</p> <p>b. Expected date of submission for approval Lending: Not applicable Nonlending (project preparatory): Not applicable Nonlending (other than project preparatory): 2005</p> <p>c. Period and duration of assistance Lending: Not applicable Nonlending: 2 months</p>																				
<p>10. Financing Plan</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources: \$</p> <p><input type="checkbox"/> Asian Development Fund: \$</p> <p><input type="checkbox"/> Other: \$</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source: _____</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input checked="" type="checkbox"/> ADB's administrative budget: \$30,000</p> <p><input type="checkbox"/> Grant TA funds \$</p> <p><input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source: _____</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost	
Source	Amount (\$)																			
ADB Financing																				
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Source	Amount (\$)																			
ADB Financing																				
Government Financing																				
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Total Cost																				

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.8: Institutional Support for Railway Sector Reforms
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other: TA Loan</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input checked="" type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transportation and Communications Subsector: Railways</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Transport and Communications Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Prodyut Dutt</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Because of its location, Bangladesh is well placed to act as a hub for subregional transport linking together Bhutan, India, and Nepal more effectively, providing access to the ports in Bangladesh and offering transit routes for India to its eastern states. While trade is expected to increase among these countries during the next decade, improved trade facilitation and expansion of transport infrastructure together with increased efficiency in sector management and operations, specifically road and rail links, will be crucial to meet the expected increase in transport demand, particularly for freight.</p> <p>The railway sector reform, which was stalled earlier, resumed its pace in 2002 with the agreement of the Government to consider institutional reforms such as: (i) increasing the managerial autonomy of the railways, (ii) the reorganization of the railways to a line-of-business structure, (iii) improved management accounting and financial management systems to support the line of business organization, (iv) identifying skill sets and instituting personnel policies that will support the line of business organization including appointment of outside personnel to top railway posts on merit, and (v) updating the legislative framework for the railways to allow for corporatization of the railways.</p>								

b. Goal and purpose: The Project will provide institutional support to ensure effective implementation of the railway sector reforms, to ensure sustainable financial and operational performance.

c. Components and outputs: The key outputs/deliverables include: (i) reorganizing Bangladesh Railways (BR) into a line of business organization, (ii) preparing for the corporatization of BR operations including concessioning of rail operations, (iii) improvement of rail operations, (iv) drafting of new Railways Act, and (v) a staff retraining and reduction program.

d. Expected results and deliverables: The Project is expected to support the improvement of the competitiveness of the rail sector through improved efficiency, competitive practices, and increased capacity. The Project will support sustained financial and operational performance of BR with the aim of reaching an operating ratio of less than one by 2008.

e. Social or environmental issues or concerns: Labor redundancies will have to be tackled with sensitivity and appropriate counseling, and retraining wherever feasible. Strict monitoring will be required of the social and environmental impacts arising from the Program.

f. Plans for disseminating results/deliverables: Workshops and seminars will be organized to facilitate stakeholder participation.

7. Proposed executing/implementing agency or agencies: Bangladesh Railway

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The project received strong government support. Consultations, including a series of workshops, will be held with representatives from labor unions, user representatives, NGOs, and other stakeholders.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2003
- b. Expected date of submission for approval
 Lending: Not applicable
 Nonlending (project preparatory): Not applicable
 Nonlending (other than project preparatory): Q1 2005
- c. Period and duration of assistance
 Lending: Not applicable
 Nonlending: 8 months

10. Financing Plan

- a. For lending
- Ordinary capital resources: \$
- Asian Development Fund: \$
- Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

- b. For nonlending
- No resources required, other than ADB staff
- ADB's administrative budget: \$
- Grant TA funds \$800,000 (TASF)
- Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, BR = Bangladesh Railway, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.9: Support for Public-Private Partnerships in Padma Bridge
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other: TA Loan</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input checked="" type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transportation and Communications Subsector: Roads and Highways</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input checked="" type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input checked="" type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input checked="" type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input checked="" type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Transport and Communications Division/South Asia Department</p>								
<p>5. Responsible ADB officer: To be determined</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The northwestern part of Bangladesh, which had been landlocked by the Ganges and Jamuna rivers, was connected to eastern Bangladesh by the Jamuna Bridge. With the advanced stage of the studies for the construction of the Paksey Bridge, northwestern Bangladesh will be connected to southwestern Bangladesh. The construction of a bridge across the Padma River to connect the southwestern part to the eastern part is the logical next step for the complete integration of the country.</p> <p>Mongla in the southwest is the second port in Bangladesh but has had limited throughput because of the ineffective transport route to the economic and industrial center of Dhaka. For further development of Mongla Port and diversion of traffic from Chittagong Port, a fixed crossing over the Padma River is essential. It will also complement the benefits of the ADB-financed Southwest Road Network Development Project, approved in 1999, which intends to improve the national highway connecting Dhaka-Mawa-Bhanga-Bhatiapara-Gopalganj-Khulna/Mongla.</p>								

The route from Benapole in the southeast through Khulna to Dhaka in the east is the major trade route between India and Bangladesh. The route also has the potential to be extended to Sylhet in the northeast and then to northeast India. From the viewpoint of subregional economic cooperation, this Benapole-Dhaka-Sylhet route will comprise the main corridor connecting West Bengal to northeast India. However, without a fixed crossing over the Padma River, the effectiveness of this major route for regional cooperation will be greatly constrained.

b. Goal and purpose: To assist the Government in assessing social and environment impact of the Padma Bridge and developing a financing scheme for the project including public-private partnership mechanism.

c. Components and outputs: A full-scale feasibility study is being conducted by the Japan International Cooperation Agency (JICA). ADB's support will focus on assessing the environment and social impacts, including resettlement, and reviewing various financing packages.

d. Expected results and deliverables: An environment impact assessment as well as a land acquisition and resettlement action plan, and plausible financing packages including the private sector.

e. Social or environmental issues or concerns: The aquatic environment in the Padma River is relatively undisturbed by human interference. The construction of a bridge will certainly affect natural environmental conditions, notably the river's morphology and the floodplain's drainage conditions. The construction of river training works will cause backwater effects during flood conditions, combined with increased scour at and near the bridge crossing, and increased sedimentation further downstream. The aquatic fauna might be affected to some extent during the construction phase. The impact on the aquatic ecosystem due to dredging and dredge spoil disposal needs to be assessed. Construction will require acquisition of substantial areas of land. Land will be needed for the construction of bridge-end facilities and approach roads on both sides of the river. The bridge itself will not require large-scale relocation of people. Dredging of a slot along the axis of the bridge to facilitate pile driving might, however, call for specific mitigation measures due to the fact that the Char people usually cultivate the sandbars.

f. Plans for disseminating results/deliverables: A series of workshops where representatives of all stakeholders will discuss the results of the study and recommended action plan.

7. Proposed executing/implementing agency or agencies: Roads and Highways Department (RHD).

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
The result of the Jamuna Bridge impact study will be discussed with the Government, NGOs, civil society groups, and people in the project areas to find the benefits of such a multipurpose bridge, adverse impacts on the environment, social impact, and resettlement. This will enable all stakeholders to come to a consensus on the need for the bridge, possible adverse impacts, and mitigation measures that can be taken.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2001
- b. Expected date of submission for approval
 - Lending: Not applicable
 - Nonlending (project preparatory): Q3 2005
 - Nonlending (other than project preparatory): Not applicable
- c. Period and duration of assistance
 - Lending: Not applicable
 - Nonlending: 6 months

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund: \$
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$_____, from _____.
If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	
b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: \$ <input checked="" type="checkbox"/> Grant TA funds \$800,000 (TASF) <input type="checkbox"/> Other:	
If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.	
Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.10: Urban Governance and Infrastructure Improvement II
Concept Paper**

Date: 30 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: TA Loan</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Multi-sector Subsector: Sanitation, roads, and low-income community upgrading</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input checked="" type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Social Sectors Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Hun Kim</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: In spite of the progress made to date, most <i>pourashavas</i> are failing to meet the challenges of rapid urbanization and the rising demand for urban services. While <i>pourashavas</i> in legal terms have major responsibility for delivery of most municipal services, including water supply and sewerage, solid waste removal, urban transport, housing, urban health, and education, they have inadequate financial and human resources to carry out their duties. A lack of skilled personnel within local governments, both technical and managerial, is a major deterrent to effective implementation and administration of urban projects. There are currently more than 250 <i>pourashavas</i> in Bangladesh, the total population of which is about 9 million, or about 30% of the total urban population. ADB and the World Bank through their respective assistance as of to date have covered most of the district towns and larger class-B towns. There are, however, still a number of <i>pourashavas</i> that are yet to be covered for urban management reform and infrastructure development. Some of these towns have potential for industrial and commercial growth and, if properly developed, will be able to cater to entire regions, while some others with less growth potential still play significant roles because of their close linkages with the rural hinterlands.</p>								

b. Goal and purpose: The Project will support sustainable economic development of secondary towns to improve the welfare of town residents, including the urban poor, and enhance the quality of the urban environment. Based on the performance-based sector loan approach adopted under the first Urban Governance and Infrastructure Development (Sector) Project, the Project will selectively support those towns that are committed to urban governance reform and democratic decentralization within the municipal structure. Capacity building is an important part of the Project that will be provided by the Urban Management Support Unit established under the first Project.

c. Components and outputs: The PPTA for the Project will identify, select, and prioritize subsector-specific investment components responding to the needs of improving provision and delivery of urban services on the basis of equity and sustainability. The selection of *pourashavas* in the Project's investment program will, however, depend on the financial and managerial performance of the *pourashavas*. In this connection, the Project will review the institutional and financial capability as well as the performance of *pourashavas*, and provide necessary support for capacity building and institutional strengthening.

d. Expected results and deliverables: The Project will (i) reassess the requirements for policy reforms to be undertaken at the national level; (ii) formulate the urban governance improvement action plan at the local level; and (iii) prepare an investment program for urban infrastructure covering roads and bridges, drainage, low-cost sanitation, town-center development, public markets, and low-income community upgrading.

e. Social or environmental issues or concerns: To be determined.

f. Plans for disseminating results/deliverables: Workshops and seminars.

7. Proposed executing/implementing agency or agencies: Local Government Division/Local Government Engineering Department

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Active participation of local stakeholders will be encouraged through a social and gender action plan and a citizens' public awareness campaign.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2002
- b. Expected date of submission for approval
 Lending: Not applicable
 Nonlending (project preparatory): Q2 2005
 Nonlending (other than project preparatory): Not applicable
- c. Period and duration of assistance
 Lending: Not applicable
 Nonlending: 8 months (to start in 2005)

10. Financing Plan

- a. For lending
- Ordinary capital resources: \$
- Asian Development Fund: \$
- Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds \$600,000 (To be determined)
 Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

ASSISTANCE PROGRAM FOR 2004
Table A4.1: Assistance Program for Lending Products, 2004

Sector Project/Program Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				Cofi- nancing
						ADB			Gov't	
						OCR	ADF	Total		
2004 Firm Loans										
Education										
1. Teaching Quality Improvement for Secondary Education	PI	ISD/GAD	SASS	2002	tbd	0.0	68.9	68.9	tbd	CIDA
Subtotal					tbd	0.0	68.9	68.9	tbd	
Industry and Trade										
2. SME Sector Development Program	OTH	ECO/PSD	SAGF	2002	tbd	0.0	50.0	50.0	tbd	tbd
Subtotal					tbd	0.0	50.0	50.0	tbd	
Transport and Communications										
3. Chittagong Port Trade Facilitation Project	OTH	ECO/GOV	SATC	2003	tbd	20.0	0.0	20.0	tbd	
4. Railway Sector Development Project	OTH	ECO/REG	SATC	2000	tbd	180.0	0.0	180.0	tbd	
Subtotal					tbd	200.0	0.0	200.0	tbd	
Multi-sector										
5. Secondary Town Integrated Flood Protection II	PI	ENV/ISD	SASS	2002	tbd	0.0	59.1	59.1	tbd	OPEC
Subtotal					tbd	0.0	59.1	59.1	tbd	
Total						200.0	178.0	378.0	tbd	
2004 Standby Loan										
Energy										
1. Gas Sector Development Project	OTH	ECO/GOV	SAEN	2004	tbd	120.0	0.0	120.0	tbd	tbd
Total					tbd	120.0	0.0	120.0	tbd	

ADB = Asian Development Bank; ADF = Asian Development Fund; CIDA = Canadian International Development Agency; ECO = sustainable economic growth; ENV = environmental sustainability; GAD = gender and development; GOV = governance; ISD = inclusive social development; OCR = ordinary capital resources; OPEC = Organization of Petroleum Exporting Countries Development Fund; PSD = private sector development; REG = regional cooperation; SAEN = South Asia Energy Division; SAGF = South Asia Governance, Finance, and Trade Division; SASS = South Asia Social Sectors Division; SATC = South Asia Transport and Communications; tbd = to be determined.

Table A4.2: Assistance Program for Nonlending Products and Services, 2004

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2004							
Agriculture and Natural Resources							
1. Rural Infrastructure Improvement II	SAAE	PP	tbd	400.0		0.0	400.0
Subtotal				400.0		0.0	400.0
Education							
2. Secondary Education II	SASS	PP	tbd	600.0		0.0	600.0
Subtotal				600.0		0.0	600.0
Energy							
3. Power Sector Development Program II*	SAEN	PP	JSF	350.0		0.0	350.0
4. Gas Sector Development Project*	SAEN	PP	TASF	150.0		0.0	150.0
5. Public-Private Partnership in Energy Development	SAEN	ID	TASF	500.0		0.0	500.0
Subtotal				1,000.0		0.0	1,000.0
Health, Nutrition and Social Protection							
6. Social Protection of Poor Female Workers in the Garment Sector in the Context of Changing Trade Environment	SASS	ID		0.0	PRCF	420.0	420.0
Subtotal				0.0		420.0	420.0
Industry and Trade							
7. Assistance to SME Development	SAGF	ID	TASF	600.0		0.0	600.0
Subtotal				600.0		0.0	600.0
Transport and Communications							
8. Institutional Support for Chittagong Port Efficiency Improvement	SATC	ID	TASF	700.0		0.0	700.0
9. Support to Roads & Highways Department for Safeguard Policy Compliance	SATC/BRM	ID	TASF	500.0		0.0	500.0
10. Development of a National Involuntary Resettlement Policy (Phase 1)	BRM/SATC	ID	TASF	350.0		0.0	350.0
Subtotal				1,550.0		0.0	1,550.0
Water Supply, Sanitation and Waste Management							
11. Secondary Towns Water Supply and Sanitation	SASS	PP	tbd	550.0		0.0	550.0
Subtotal				550.0		0.0	550.0

* Excluding the use of TA savings.

Table A4.2—Continued

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
Multisector							
12. Dhaka-Chittagong Economic Corridor Development	BRM	ETSW	IAE				
Subtotal				4,700.0		420.0	5,120.0
Total							
2004 Standby							
1. Command Area Development Project 2	SAAE	PP	tbd	600.0		0.0	600.0
Subtotal				600.0		0.0	600.0

ADB = Asian Development Bank; BRM = Bangladesh Resident Mission; ETSW = economic, thematic, and sector work; PRCF = Poverty Reduction Cooperation Fund; IAE = internal administrative expenses; ID = institutional development; PP = project preparatory; SAAE = South Asia Agriculture, Environment, and Natural Resources Division; SAEN = South Asia Energy Division; SAGF = South Asia Governance, Finance, and Trade Division; SASS = South Asia Social Sectors Division; SATC = South Asia Transport and Communications Division; TASF = Technical Assistance Special Fund, tbd = to be determined.