



Draft Design and Monitoring Framework

Project Number: 37017
July 2007

Bangladesh: Good Governance Sector Development Program

A design and monitoring framework is an active document, progressively updated and revised as necessary, particularly following any changes in project design and implementation. In accordance with ADB's public communications policy (2005), it is disclosed before appraisal of the project or program. This draft framework may change during processing of the project or program, and the revised version will be disclosed as an appendix to the report and recommendation of the President.

Asian Development Bank

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms ¹	Assumptions and Risks
<p>Impact</p> <p>Economic growth and enhanced public access to effective public services</p>	<ul style="list-style-type: none"> • Measures of satisfaction of public access to services show yearly increase • Contribution to economic growth by sectors most vulnerable to corruption increases year-on-year • Public perception of good governance in relevant sectors of operations improves in all surveys • Improved Transparency International ranking on corruption (from current CPI score of 2.0 to 2.5 by 2011) 	<ul style="list-style-type: none"> • Relevant national surveys on public service delivery • Government's periodic economic reports and budgets • Evaluation reports; Transparency International and other surveys • Transparency International and other surveys 	<p>Assumptions</p> <ul style="list-style-type: none"> • Political conditions remain stable • Other exogenous factors do not negatively impact the work on anticorruption and good governance • Causality of improvements in good governance on economic growth remains valid <p>Risk</p> <ul style="list-style-type: none"> • Government focus on good governance and anticorruption may dwindle over time
<p>Outcome</p> <p>Improved governance and lower incidence of corruption in the public sector of Bangladesh</p>	<ul style="list-style-type: none"> • Demonstrated Government commitment to implementation of the NIS and UNCAC provisions through increased budgetary allocations • ACC Act of 2004 amended to give ACC clearer powers and greater independence • NIS is adopted by departments resulting in reduced leakages verified by Auditor General's report • Yearly increase in corruption cases investigated and prosecuted by ACC • All judicial sector appointments and personnel matters unbundled from the Public Service Commission • Reduction in time taken to resolve corruption cases on a year-to-year basis • Code of conduct adhered to, and monitored, at the Supreme Court and in district courts • All departments have fully-operational accountability mechanisms/units 	<ul style="list-style-type: none"> • Cabinet documents; budget statements • UN reports on UNCAC program implementation status • Official Gazette; Review Mission reports • Reports of Auditor General • ACC documents • JSC documents and Review Mission reports • Supreme Court annual reports • Supreme Court annual reports • Community level reports on incidence of corruption and mismanagement 	<p>Assumptions</p> <ul style="list-style-type: none"> • Continued Government commitment to the Program as reflected in support to the National Advisory Committee (NAC), ACC, JSC, NIS and UNCAC implementation, and independence of the judiciary • ACC Act amendments are clear and adhere to due process standards • Civil society organizations continue to demand transparency and accountability in Government work, including in the judiciary • Relevant capacities are built in ACC's work • JSC capacity to recruit and manage HR process is successfully enhanced • Anticorruption Courts are established in time • The commitment of senior judiciary remains strong • Commitment to good governance and anticorruption from sectoral agency heads

¹ Data sources listed here will indicate performance of more than one target. Existing reporting mechanisms will guide the program performance review missions.

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms ¹	Assumptions and Risks
<p>3. Prevention Mechanisms</p>	<ul style="list-style-type: none"> • Performance indicators for judiciary are revised and implemented • Published annual reports indicating performance (e.g., disposal of corruption cases) • Submitted declarations of asset statements by those in the judiciary • Improvements in judicial facilities, and sufficient resources for operations • JSC fills judicial vacancies in a timely manner • A separate prosecution service is established with adequate budget • Change Management Unit in CPA is established and made operational <ul style="list-style-type: none"> ▪ VRS at CPA implemented ▪ VCAs conducted in MTBF agencies <ul style="list-style-type: none"> ▪ Corruption risk mitigation strategies in place in at least half the Government agencies • Gazetted Right to Information, and Whistleblower Protection legislation <ul style="list-style-type: none"> ▪ Sector plans to deal with vulnerabilities to corruption are put in place and budgeted for ▪ Complaints handling mechanisms established at all levels of government ▪ Office of Ombudsman adequately resourced 	<ul style="list-style-type: none"> • Supreme Court reports • Supreme Court documents • Supreme Court and NBR records • Supreme Court records; budget statements • JSC records • Law Ministry records; budget statements ▪ Ministry of Shipping and CPA records ▪ CPA records; budget statement ▪ Agency reports ▪ Agency reports • Official gazette • Relevant legislative hearings on sector agency work; sectoral budget allocations • Community level reports on cases/incidence of corruption and mismanagement; agency reports; submissions at www.ekhoni-shomoy.net • Budget statement 	<ul style="list-style-type: none"> • Performance indicators are rigorously framed • Annual reports provide relevant information in a timely manner • Supreme Court actively follows up on submission of statements by those in the judiciary • Government continues to stay committed to strengthening the judiciary Risks <ul style="list-style-type: none"> ▪ The Judiciary's independence is not accompanied by adequate transparency ▪ Agencies (such as JSC) may be insulated from good governance policies internally Assumptions <ul style="list-style-type: none"> • Change Management Unit is well-resourced • VRS is accepted by a wide majority of CPA staff • VCAs are done rigorously • Agency commitment to produce, and adhere to, the strategies is strong • The law is comprehensive in scope and has a clear implementation framework • Political commitment is intact • Commitment to good governance and anticorruption from sectoral agency heads; and effective legislative oversight in work of sectoral agencies • Complaints mechanisms are used widely by service users and citizens • Political commitment to strengthen Office of the Ombudsman is intact Risks <ul style="list-style-type: none"> • Weak institutional capacities of sector agencies impede mainstreaming of good governance and anticorruption

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms ¹	Assumptions and Risks												
<p>Activities and Milestones</p> <p>1.1 Conduct stakeholder consultations and approval of NIS (October 2007-July 2008)</p> <p>1.2 Establish National Advisory Committee on NIS (by mid-2008)</p> <p>1.3 Prepare action plans associated with NIS and UNCAC at departmental level (by 3rd qtr 2008)</p> <p>1.4 Monitor work of departments in line with NIS and UNCAC action plan (continuous from 3rd qtr 2008)</p> <p>1.5 Put into action partnership plan on anticorruption work with civil society (from Oct 2008)</p> <p>1.6 Gazette amended ACC Act aligned to UNCAC (by October 2010)</p> <p>1.7 Conduct independent review of NIS and UNCAC implementation (Oct 2010)</p> <p>1.8 Conduct independent survey of ACC performance (by October 2010)</p> <p>1.9 Put in place a performance management scheme at ACC (by October 2010)</p> <p>1.10 Establish a separate prosecution unit at ACC (by October 2010)</p> <p>2.1 Gradually move recruitment function from PSC to JSC for judges (Oct 2007-Sept 2008)</p> <p>2.2 Follow up on the directive to all district judges to submit declarations of asset and wealth (from October 2007, and periodically after that)</p> <p>2.3 Strengthen Code of Conduct in the judiciary and enforce it continuously (from October 2007 onwards)</p> <p>2.4 Engage in active monitoring of district courts and make broad results publicly available (from October 2007 onwards)</p> <p>2.5 Conduct a detailed needs analysis of the prosecution service (Oct 2007-March 2008)</p> <p>2.6 Develop implementable capability development plans in the judiciary (by May 2008, and implemented after that)</p> <p>2.7 Finalize performance indicators for judiciary (October 2007-September 2008)</p> <p>2.8 Gazette legislation for an independent prosecution service (by October 2008)</p> <p>2.9 Prescribe specific qualifications for the recruitment of High Court judges (by October 2008)</p> <p>2.10 Publish annual "State of the Judiciary" report (from October of every year from 2008 onwards)</p> <p>3.1 Conduct VCAs in select agencies and help develop anticorruption strategies as needed (from October 2007 onwards)</p> <p>3.2 Support CPA and other agencies in implementing their anticorruption strategy (from October 2007 onwards)</p> <p>3.3 Strengthen/institute inspectorates in key sectoral agencies (Oct 2007-Sept 2008)</p> <p>3.4 Finalize plans to establish an Office of the Ombudsman (October 2007 to September 2008)</p> <p>3.5 Issue, and follow up on, directive to all civil servants to submit declarations of asset and wealth (from Oct 2007, and updated once in 2 years)</p> <p>3.6 Establish a functional Change Management Unit at CPA (by October 2008)</p> <p>3.7 Draft legislation for a Right to Information Act (by October 2008)</p> <p>3.8 Develop proposals for revised entry and promotion procedures in BCS (by October 2008)</p> <p>3.9 Review Official Secrets Act 1923 and Government Services (Conduct) Rules 1979 (October 2007 to Sept 2009)</p> <p>3.10 Implement VRS at CPA (by October 2009)</p> <p>3.11 Gazette amendments to the 1976 Port Ordinance (by October 2010)</p> <p>3.12 Operationalize decentralized nationwide complaints mechanisms (by October 2010)</p> <p>3.13 Put in place revised quota system in n BCS (by October 2010)</p> <p>3.14 Publish departmental information on grievances and public complaints (from October 2010 onwards)</p> <p>3.15 Develop integrity and anticorruption modules and incorporate them in public sector training institutes (by October 2010)</p>			<p>Inputs</p> <p>(I) Program Loan: ADB: \$115m</p> <p>(II) Project Loan: ADB: \$15m</p> <table border="1" data-bbox="1057 394 1425 646"> <thead> <tr> <th>Cost item</th> <th>Amount (in mill.)</th> </tr> </thead> <tbody> <tr> <td>Consulting services</td> <td>0.31</td> </tr> <tr> <td>Equipment & furnishings</td> <td>8.95</td> </tr> <tr> <td>Training</td> <td>2.65</td> </tr> <tr> <td>Project administration</td> <td>1.73</td> </tr> <tr> <td>Contingencies</td> <td>1.36</td> </tr> </tbody> </table> <p>Government: \$3m</p> <p>(III) Technical Assistance:</p> <ul style="list-style-type: none"> • ADB: \$1.0m • DANIDA: \$1.0m (co-financing) • Government: \$0.5m (in-kind) 	Cost item	Amount (in mill.)	Consulting services	0.31	Equipment & furnishings	8.95	Training	2.65	Project administration	1.73	Contingencies	1.36
Cost item	Amount (in mill.)														
Consulting services	0.31														
Equipment & furnishings	8.95														
Training	2.65														
Project administration	1.73														
Contingencies	1.36														

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms¹	Assumptions and Risks
<p>3.16 Draft legislation for a Whistleblower Protection Act (by October 2010)</p> <p>3.17 Establish well-resourced Office of the Ombudsman (by October 2010)</p> <p>Program/Project supervision and management</p> <p>3.18 Establish Program Steering Committee (by September 2007)</p> <p>3.19 Engage first batch of consultants for Program/project activities (by October 2007)</p> <p>3.20 Conduct reviews:</p> <ul style="list-style-type: none"> • Program Steering Committee review (quarterly) • Review missions (annually) • Tranche condition reviews (before release of tranche 2 and 3 funds) <p>3.17 Prepare and submit:</p> <ul style="list-style-type: none"> • Program inception report (4th quarter 2007) • First program interim report (second quarter 2008) • Semi-annual program interim reports (from fourth quarter 2008) • Draft program final report (mid-2011) • Program tripartite and final report (third quarter 2011) 			

BCS = Bangladesh Civil Service, CPA = Chittagong Port Authority, CIDA = Canadian International Development Agency, CPI = Corruption Perception Index, DANIDA = Danish International Development Agency, DPs = Development Partners, EU = European Union, HRD = Human Resource Development, JSC = Judicial Services Commission, LGD = Local Government Division, MTBF = Medium-Term Budget Framework, NBR = National Board of Revenue, NCC = National Coordinating Committee for Combating Corruption and Crime, NGO = Non-governmental Organization, NIS = National Integrity Strategy, PSC = Public Service Commission, TI = Transparency International, UNCAC = United Nations Convention Against Corruption, UNDP = United Nations Development Program, VCA = Vulnerability to Corruption Assessment, VRS = Voluntary Retirement Scheme.