

IMPACT OF ADB SECTOR STRATEGY AND PROGRAM

1. **Impact as per Country Assistance Program Evaluation (CAPE) 2003.** Operations Evaluation Department's (OED) CAPE Bangladesh 2003 positively assessed two secondary towns projects as having contributed to significant improvement in the environmental conditions of the low-income residents, as well as toward the creation of planned and environmentally sound housing conditions. The Project Performance Assessment Report for a 1985 urban infrastructure improvement project in Dhaka, however, completed in 2001 revealed a much less satisfactory outcome, largely as a result of deficient project planning and weak or corrupt oversight of project implementation. Two flood protection projects on the other hand had clearly been successful in serving their primary objective of creating a flood-free environment in the urban areas affected. This was demonstrated in the severe floods of 1998. However, the CAPE assessed the long-term sustainability of these benefits as in doubt.
2. The CAPE concluded that, while the importance of developing the urban infrastructure sector is increasingly obvious—and of particular relevance to the goal of poverty reduction—the achievements of the Asian Development Bank program in the 1980s and 1990s have been at best mixed for several reasons: (i) project design had not taken adequate account of the concerns of local communities; (ii) project implementation was often not in line with the specified outputs, and covenants were not complied with; (iii) while Asian Development Bank had played an important role in inducing the Government to develop a relevant policy for the urban sector and enhancing the capacity of pourashavas, its projects had little success in securing the implementation of these reforms at local level; and (iv) while the flood protection interventions had already yielded important benefits in the 1998 floods, their sustainability remained in doubt against a background of still weak urban administration and cost recovery. The CAPE recommended to rely on more community involvement in project design, more sustained involvement of development partners, and caution in the reliance on a performance-based allocation to pourashavas.
3. **More recent evaluations.** No urban or water supply and sanitation project performance evaluation reports have been issued after the 2003 CAPE, and only two project completion reports so far—one in 2004, and one in 2005. A 2006 PPER of the 1995 Flood Damage Rehabilitation Project noted that subprojects relating to slum rehabilitation were difficult to locate owing to the Dhaka City Corporation's inadequate records. However, subprojects relating to urban roads rehabilitated by the Local Government Engineering Department were found to be useful immediately after completion, although they were not adequately maintained by the municipal authority.