

ASIAN DEVELOPMENT BANK

PCR: BAN 23056

PROJECT COMPLETION REPORT

ON THE

**BANGLADESH OPEN UNIVERSITY PROJECT
(Loan 1173-BAN [SF])**

IN

BANGLADESH

June 2000

CURRENCY EQUIVALENTS

Currency Unit – Taka (Tk)

	At Appraisal (15 June 1992)	At Project Completion (28 September 1998)
Tk1.00 =	\$0.0258	\$0.0212
\$1.00 =	Tk38.725	Tk47.10

ABBREVIATIONS

ADB	-	Asian Development Bank
BEd	-	bachelor of education
BOU	-	Bangladesh Open University
BIDE	-	Bangladesh Institute of Distance Education
CEd	-	certificate in education
CELP	-	certificate in english language proficiency
HSC	-	high school certificate
LC	-	local center
MOE	-	Ministry of Education
MPTT	-	Ministry of Posts, Telegraph and Telephone
MTR	-	midterm review
NAS	-	needs assessment survey
NGO	-	nongovernment organization
RRC	-	regional resource center
SSC	-	secondary school certificate

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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BASIC DATA

A. Loan Identification

1.	Country	Bangladesh
2.	Loan Number	1173-BAN(SF)
3.	Project Title	Bangladesh Open University Project
4.	Borrower	People's Republic of Bangladesh
5.	Executing Agency	Bangladesh Open University (BOU)
6.	Amount of Loan	SDR24.588 million (\$34.3 million)
7.	PCR Number	PCR: BAN 573

B. Loan Data

1.	Appraisal	
	- Date Started	4 December 1991
	- Date Completed	23 December 1991
2.	Loan Negotiations	
	- Date Started	4 June 1992
	- Date Completed	5 June 1992
3.	Date of Board Approval	4 August 1992
4.	Date of Loan Agreement	20 August 1992
5.	Date of Loan Effectiveness	
	- In Loan Agreement	19 November 1992
	- Actual	17 November 1992
	- Number of Extensions	-
6.	Closing Date	
	- In Loan Agreement	31 December 1997
	- Actual	28 September 1999
	- Number of Extensions	one
7.	Terms of Loan	
	- Interest Rate	1 percent per annum
	- Maturity (number of years)	40
	- Grace Period (number of years)	10

8. Disbursements

a. Dates

Initial Disbursement
23 April 1993

Final Disbursement
28 September 1999

Time Interval
6.5 years

Effective Date
17 November 1992

Original Closing Date
31 December 1997

Time Interval
5.1 years

b. Amount

(\$)

Category	Original Allocation	Last Revised Allocation	Amount Added/ (Cancelled)	Net Amount Available	Amount Disbursed
Civil Works	5,233,891	10,499,310	(47,098)	10,452,212	10,452,212
Office Equipment & Furniture	1,669,975	3,582,885	(1,619,481)	1,963,404	1,963,404
Vehicles	203,999	689,538	(40,038)	649,500	649,500
Inst. Materials – Course Devt.	6,150,841	3,893,307	610,756	4,504,063	4,504,063
Inst. Materials – Media Devt.	1,952,027	6,635,075	(111,171)	6,523,904	6,523,904
International Fellowships	1,044,991	2,181,082	(455,702)	1,725,380	1,725,380
International Consultants	2,076,018	1,254,631	(119,689)	1,134,942	1,134,942
Local – Civil Works					
Engineering & Supervision	252,032	794,534	(12,812)	781,722	781,722
Local – Fellowships	518,027	29,283	(385)	28,898	28,898
Local – Seminar & Symposiums	198,973	121,628	(3,496)	118,132	118,132
Local – Domestic Consultants	834,010	31,160	(464)	30,696	30,696
Local – Research & Evaluation	231,088	159,223	(7,939)	151,284	151,284
Local – Innovative Activities	50,965	-	-	-	-
Local Staff Salaries – PIU	461,896	432,863	(4,408)	428,455	428,455
Local Staff Salaries – BOU	1,986,935	453,074	(8,858)	444,216	444,216
Local – Operation & Consumable Materials	1,871,042	2,590,659	523,862	3,114,521	3,114,521
Service Charge during Construction	983,973	983,972	(264,998)	718,974	718,974
Unallocated (Contingencies)	8,611,541	-	-	-	-
Total	34,332,224	34,332,224	(1,561,921)	32,770,303	32,770,303

BOU = Bangladesh Open University, PIU = Project Implementation Unit.

9. Local Costs (ADB Financed)

- Amount (\$ million)	12.94
- Percentage of Local Costs	61
- Percentage of Total Cost	31

C. Project Data

1. Project Cost

(\$ million)

Item	Appraisal Estimate	Actual
Foreign Exchange Cost	10.52	19.83
Local Currency Cost	32.48	21.32
Total Cost	43.00	41.15

2. Financing Plan

(\$ million)

Source	Appraisal Estimate			Actual		
	Foreign	Local	Total	Foreign	Local	Total
Implementation Costs	9.539	32.480	42.019	19.114	21.316	40.430
Borrower-financed	0.000	8.670	8.670	0.000	8.379	8.379
ADB-financed	9.539	23.810	33.349	19.114	12.937	32.051
IDC Costs ^a	0.984	0.000	0.984	0.719	0.000	0.719
Borrower-financed	0.000	0.000	0.000	0.000	0.000	0.000
ADB-financed	0.984	0.000	0.984	0.719	0.000	0.719
Total	10.523	32.480	43.003	19.833	21.316	41.149

^aIDC = interest during construction.

3. Cost Breakdown by Project Components

(\$ million)

Component	Appraisal Estimate			Actual		
	Foreign	Local	Total	Foreign	Local	Total
1. Physical Infrastructure						
Land Acquisition		0	869	0	769	769
Detailed Eng'g & Supv.		0	327	0	782	782
Civil Works	1,605	4,819	6,424	2,613	7,839	10,452
2. Vehicle, Equipment and Furniture						
Vehicles	244	0	244	650	0	650
Equipment	1,334	0	1,334	[1,963	0	[1,963
Furniture	0	671	671	[0	0	[0
3. Instructional Materials Devt						
Course Development	135	0	135	[4,504	0	[4,504
Media Development	2,580	0	2,580	[6,524	0	[6,524
Instructional Materials Devt	0	9,290	9,290	[0	0	[0
4. Staff Development						
International Fellowship	1,220	0	1,220	1,725	0	1,725
Local Fellowship	0	666	666	0	29	29
Seminar & Symposium	0	246	246	0	118	118
5. Consulting Services						
International	2,421	0	2,421	1,135	0	1,135
Local	0	1,098	1,098	0	31	31
6. Research & Evaluation						
Research & Evaluation	0	292	292	0	151	151
Innovative Activities	0	67	67	0	0	0
7. Project Implementation & Recurrent Costs						
Staff Salaries						
- PIU	0	585	585	0	428	428
- BOU	0	7,919	7,919	0	3,392	3,392
Operation, Consumables & Miscellaneous	0	2,648	2,648	0	3,117	3,117
8. Taxes and Duties	0	2,983	2,983	0	4,660	4,660
9. Service Charge during Construction	984	0	984	719	0	719
Total	10,523	32,480	43,003	19,833	21,316	41,149

BOU = Bangladesh Open University, PIU = Project Implementation Unit.

4. Project Schedule

Item	Appraisal Estimate	Actual
(a) Civil Works		
Date of Award	IV Qtr 1992	IV Qtr 1992
Completion of Work	IV Qtr 1995	IV Qtr 1998
(b) Consultants		
Date of Award	II Qtr 1993	I Qtr 1994
Completion of Work	I Qtr 1997	IV Qtr 1998
(c) Equipment		
First Delivery	I Qtr 1993	I Qtr 1993
Last Delivery	IV Qtr 1995	IV Qtr 1998

D. Data on ADB Missions

Name of Mission	Dates	No. of Persons	No. of Person-days	Specialization of Members ^a
Fact-Finding	Sep 1991			
Appraisal	4 – 23 Dec 1991			
Inception	27 – 28 Feb 1993	2	4	b, c
Review – 1	6 – 10 Jun 1993	1	5	c
Review – 2	30 Sep – 4 Oct 1993	2	10	c, f
Review – 3	22 – 28 Feb 1994	1	7	c
Review – 4	8 – 18 Oct 1994	1	11	c
Review – 5	22 – 27 May 1995	1	6	c
Midterm Review	5 – 26 Oct 1995	2	44	a, f
Review – 6	13 – 21 Jul 1996	2	18	a, b
Review – 7	12 – 18 Nov 1996	2	14	a, f
Review – 8	9 – 17 May 1997	1	9	a
Review – 9	2 – 8 Jun 1997	1	7	c
Review – 10	5 – 10 Nov 1997	2	12	c, f, g
Review – 11	20 Jun – 1 Jul 1998	3	30	c, d, f
Review – 12	29 Nov – 5 Dec 1998	2	14	d, f
Review – 13	2 – 12 Feb 1999	1	11	d
Project Completion	26 Mar – 2 Apr 2000	4	32	d, e, g, h ^b
Total		28	234	

^a a – sr. education specialist, b – education specialist, c - sr. project specialist, d - project specialist, e – senior executive officer, f - assistant project analyst, g – staff consultant, h – PCR consultant.

^b The Mission comprised Y. Ikeda, Project Specialist; W. D. Ferguson, Senior Executive Officer; and two domestic consultants.



I. PROJECT DESCRIPTION

1. To increase economic growth and reduce unemployment and underemployment, the Government has given high priority to expanding and upgrading the education system in its national development plans. With the goal of strengthening human resource development, the major constraints faced by the Government were (i) inadequate access to formal education and training in rural areas, including basic education, secondary education, vocational training, and basic skills programs, particularly for women; (ii) inadequate higher and professional education and training opportunities in areas such as agriculture extension, health and population, teacher education, and the new technologies such as computer science; and (iii) inadequate opportunities for informal and nonformal education for the general population in areas such as agriculture, health and family planning, environmental protection, and basic skills to help reduce poverty.

2. Under the Fourth Five-Year Plan, FY1990–FY1995, the major objectives for the education sector were to (i) provide educational opportunities for out-of-school children, adolescents, youths, and adults, and particularly women, through nonformal channels and continuing education; (ii) reduce the rural-urban gap in educational opportunities; (iii) increase the participation of women in education; and (iv) augment and strengthen technical and vocational education by making it more job oriented.

3. Consistent with the Fourth Five-Year Plan objectives, in 1992 the Government, with financial assistance from the Asian Development Bank (ADB), established the Bangladesh Open University (BOU). BOU was to supplement the conventional education programs by primarily serving various disadvantaged target groups that had been excluded from access to the conventional education system. The specific objectives of the Project included (i) increasing access to education and training in rural areas, including basic education, secondary education, and vocational training; (ii) providing a mechanism to meet the emerging higher education and professional training needs in areas such as agriculture, health, teacher education, and technical and vocational education; (iii) enhancing the quality and relevance of the education and training system; and (iv) strengthening informal and nonformal educational programs for the general population in areas such as environmental protection, family planning, and basic skills.

4. BOU was to provide learning opportunities through distance education. The curricula included secondary education, the English language, health and family planning, disaster management, agriculture extension, computer applications, nursing, and teacher education. BOU was to use written self-instruction materials supported by educational programs broadcast nationally by Radio Bangladesh and Bangladesh Television.

5. Since 1985, distance education has been available through the Bangladesh Institute of Distance Education (BIDE), which produced and supplied audiovisual materials to educational institutions and organized a bachelor of education (BEd) program for untrained secondary school teachers. However, it was constrained by the lack of adequate specialized staff, physical facilities, and support services, and was merged with BOU in 1992.

6. Of the estimated total project cost of \$43.0 million equivalent, ADB was to finance \$34.3 million equivalent and the Government \$8.7 million. The Project consisted of an open university with (i) infrastructure development, including the main campus located near Dhaka; 10 regional resource centers (RRCs); and 80 local centers (LCs); (ii) equipment, furniture, and vehicles; (iii) instructional materials production facilities, including a contemporary media production studio system; (iv) staff development; (v) consulting services to design curricula and instructional materials; and (vi) research, and benefit monitoring and evaluation.

II. EVALUATION OF IMPLEMENTATION

A. Project Components

1. Infrastructure Development

7. Under the Project, physical infrastructure facilities would be provided for (i) the main campus of BOU headquarters, including six schools and 11 administrative, financial, and management divisions; computer, media, and printing and distribution centers; a library; and residential accommodation; and (ii) 10 RRCs including administrative, audiovisual, storage, conference, and utility rooms.

8. BOU's main campus is located on 14 hectares in the academic belt at Gazipur, about 22 kilometers from central Dhaka. The land for the main campus was provided to BOU by the Government in a timely manner. While the campus is spacious, staff consider the location to be too far from Dhaka for commuting. However, this may be a temporary complaint as the area is developing rapidly residentially and commercially. For the RRCs, land acquisition by the Government was generally in order, except for two RRCs, which took two to four years to complete due to litigation. While the delay temporarily affected the level of student support services, it did not unduly affect project implementation and impact.

9. The infrastructure facilities on the main campus have an actual floor area of 21,730 square meters (m²) versus 14,850 m² at appraisal. The buildings constructed in the RRCs were generally consistent with the floor area designs recommended at appraisal, except Dhaka and Chittagong RRCs where the floor area was increased to accommodate the larger number of students in the two largest cities. During implementation, the Government financed two additional RRCs, located at Khulna and Faridpur, to broaden the coverage of BOU services. As agreed at appraisal, the Government financed 80 LCs, one in each district (thana) headquarters to provide better contact with the students.

10. The actual total cost of construction of \$10.4 million was financed by ADB, versus the appraisal estimate of \$6.4 million. The cost variation was primarily due to (i) a 46 percent increase in the floor area of the office and residential buildings on the main campus to primarily absorb 80 staff from BIDE as stipulated under the BOU Act; (ii) the higher cost of construction for the media center, particularly due to the change in design to increase the floor area, strengthen the foundations, and provide for the higher cost of imported materials and facilities; (iii) the additional cost of landfill for several RRCs; and (iv) the additional cost of the floor area in the Dhaka and Chittagong RRCs. The building designs at BOU headquarters and the RRCs generally followed the designs at appraisal, with the exception of the media center and the Dhaka and Chittagong RRCs.

2. Equipment, Furniture, and Vehicles

11. At appraisal, communications and office equipment, furniture, and utility vehicles were planned for BOU, RRCs, and LCs to support their daily operations. The main equipment and furniture for BOU headquarters included media and printing equipment, a telephone exchange, facsimile and telex machines, desktop computers, photocopiers, and office furniture. The RRCs were to receive office equipment such as telex and facsimile machines, audiovisual appliances, and basic office furniture. The actual cost and the items of equipment and furniture procured were equivalent to the appraisal estimates.

12. As envisaged at appraisal, 22 utility vehicles were procured, including four buses and eight vans for BOU headquarters, as well as 10 utility vehicles for the RRCs. However, during implementation, BOU noted that the LCs needed 80 bicycles, and BOU headquarters required three motorcycles, for delivery purposes. The actual vehicle costs were higher than the cost estimate due to the higher per unit costs of the buses and vans and additional motorcycles and bicycles. Details of the procurement of equipment, furniture, and vehicles are provided in Appendix 1.

3. Instructional Materials Development

13. The Project was to provide production equipment to develop printed self-instruction materials for distribution to students, as well as audiovisual cassettes and tapes for broadcasting via radio and television (TV) and for personal use by the students. At appraisal, it was envisaged that specialized equipment would be provided for desktop publishing systems and an audiovisual studio. At the time of the midterm review (MTR), ADB approved an increase in the budget from \$2.6 million at appraisal to \$6.2 million to establish a multifunctional media center to cover all facets of media production. The actual cost of the media center equipment was \$6.5 million.

14. At appraisal, BOU was to consist of six schools, consistent with the findings of the needs assessment survey (NAS), including a school of agriculture and rural development; schools of business and education; an open school; a school of social science, humanities and language; and a school of science and technology. These schools cover BOU's 18 formal and 19 nonformal education programs, and were implemented as planned. BOU's formal programs, such as the secondary school certificate (SSC) or university degree, are in fact nonformal as they were obtained through distance education rather than the conventional education system. BOU's nonformal programs refer to audiovisual programs that provide practical learning skills and information on important topics to the general population without any formal certification. Details are shown in Appendix 2.

15. As planned at appraisal, for its formal and nonformal education programs, BOU developed textbooks and audio and video tapes for the students as well as for broadcasting via radio and TV. The actual total cost of developing the instructional materials was \$11.0 million, which was 8.3 percent less than the estimate of \$12.0 million at appraisal. The cost savings was mainly due to (i) the actual unit cost of tapes were cheaper than originally envisaged; (ii) fewer tapes were distributed to students than the appraisal estimate due to the late opening of the media center; and (iii) BOU utilized existing tapes and other materials from BIDE rather than produce new tapes during the implementation period. This was possible because the media center did not commence its operation until near the end of the Project.

4. Staff Development

16. BOU recruited 758 full-time staff for academic, financial, administrative, and student support functions for headquarters, RRCs, and LCs, in addition to absorbing about 80 staff from BIDE in 1992. BOU also contracted about 2,500 part-time tutors during project implementation for tutorial and other student support services, mainly at the LCs. BOU's actual full-time staff number compares with 705 at appraisal. The increase was primarily due to the additional staff requirement for the two Government-financed RRCs and the LCs. BOU's organization chart is shown in Appendix 3.

17. The Project provided for staff development through in-country training and out-of-country fellowships. A total of 183 staff participated in out-of-country fellowships for 191 person-months compared with 164 staff for 414 person-months at appraisal. For the in-country training, 502 staff and 2,500 part-time tutors and evaluators at the LCs participated in the training for 442 person-months versus 510 staff for 550 person-months estimated at appraisal. BOU provided its newly recruited staff with training in areas such as pedagogy, design of teaching and learning materials and curriculum, multimedia production skills, delivery system management, and student support services. Details of staff development are given in Appendix 3. About 95 percent of the out-of-country fellowship participants returned to work for BOU in areas in which they had been trained. Therefore as envisaged at appraisal, BOU benefited largely from the retention of the staff who participated in the out-of-country fellowship programs.

18. BOU and an international consulting firm implemented the out-of-country training mainly in Australia, Canada, and the United Kingdom. Because the staff were recruited continuously during the project implementation period, the out-of-country training was implemented intermittently rather than as a package arrangement with training institutions. In addition, the staff attended short-term rather than long-term courses. Upon completion of the out-of-country fellowship programs, BOU staff prepared a fellowship program evaluation report. Although the report indicated that the programs were appropriate to the Project, some participants expressed reservations about the effectiveness of aspects of the course to the needs of the Project, in particular traveling across the host country to attend courses at different institutions. This arrangement increased the cost of the out-of-country fellowships by about \$2,000 per person, resulting in an increase in the total cost of the out-of-country fellowships to \$1.7 million versus \$1.2 million at appraisal. Improved coordination between the EA and the out-of-country training consultant, particularly for training content and location, would enhance the project efficacy and efficiency.

19. BOU conducted the in-country fellowships and seminar/workshops at domestic public sector institutes and in-house training facilities utilizing its own resources, as well as BIDE staff and part-time staff from other universities and institutes. This reduced the actual cost to \$0.15 million from \$0.9 million at appraisal. The detailed breakdown of staff development is included in Appendix 3.

5. Consulting Services

20. The Project utilized the services of two international consulting firms from Canada and UK. The UK consultant provided overall assistance and technical input for (i) planning, implementation, and overall project management; (ii) development of program modules, course materials, and associated production and delivery systems; (iii) establishment of the media center and associated production of audio and video cassettes; and (iv) design of research and the evaluation study. The Canadian consultant implemented the various international fellowships for more than 40 modules. The domestic consultants were mainly engaged from universities to develop the curricula and prepare textbooks in collaboration with international consultants, and conduct the NASs and program evaluations.

21. The total input of the international consultants was 67 person-months versus 78 person-months as estimated at the MTR and 129 person-months at appraisal. The input of domestic consultants was 6 person-months versus 198 person-months at appraisal. The main reasons for lower utilization of consulting services were (i) the slow implementation progress during the initial years; (ii) the use of professional staff from BIDE and specialists from other universities, Bangladesh Radio and Television, and relevant institutions, who largely substituted for the domestic consultants and were paid separately by the Government (while this arrangement was

not envisaged at appraisal, it enabled BOU to effectively implement most of the domestic training programs by utilizing its own and other local resources at substantially reduced cost); (iii) the 1995 MTR recommendation to use an international consulting firm by revising the remaining consulting services to ensure the appropriate level of technical support to BOU; (iv) the replacement of international consulting services by using the media equipment installation services and training provided under the procurement contract; and (v) for the student support services, the replacement of domestic consultants with experienced BIDE staff. Following this latter action, ADB cancelled 51 person-months of international consulting services. At the end of the Project, BOU utilized 67 person-months of the international consultants versus 78 person-months envisaged by the MTR. The cost of consulting services of \$3.5 million at appraisal, was reduced to \$1.2 million. Details of consulting services planned versus utilized are summarized in Appendix 4.

6. Research, Benefit Monitoring, and Evaluation

22. In 1993, at the outset of the Project, BOU undertook a nationwide NAS to supplement the assessment during appraisal. The NAS aimed to assure the appropriateness of the Project's technologies and the relevance of BOU's educational content, particularly in terms of the demand for distance education by specific target groups. The NAS identified demand for 76 education and training programs; 33 of these were listed as priority programs by BOU in consultation with ADB. The survey results also supported the use of radio and/or TV media for program delivery as envisaged at appraisal. According to the official estimates in 1992, about 40 percent of households in urban areas and 3 percent in rural areas owned TV sets; with a national average of about 8 percent. However, when the NAS was conducted, access to TV and radio was found to be considerably higher. The NAS explains that it was customary for the villagers and the urban poor to watch TV or listen to the radio at the place of TV/radio owners or at a community center during lunch break or in the evening. In terms of the internal efficiency of the BOU system, the Project also provided a student support network consisting of 80 LCs supervised by the 12 RRCs to facilitate rural access to the audiovisual programs. New courses, such as the BEd, certificate of English language proficiency, and master of business administration were added to improve the relevance of BOU's educational content to the demand by rural students for career-oriented programs and by urban students for in-service training to upgrade qualifications without taking leave from their workplace or office.

23. In 1995, BOU conducted an evaluation study of BEd and CELP courses to assess the effectiveness of program implementation. It was found that about 40 percent of registrants were female. Ninety-five percent of rural females enrolled in the BEd program had access to TV. Subsequent studies revealed that women accounted for more than 70 percent of the 35,000 cumulative enrollments in the SSC program and 80 percent of 20,000 registered students in the certificate of education (CEd) program in 1998. During implementation, the Project demonstrated the relevance of the program's educational content and delivery by TV/radio to women and the rural/urban poor. The final report of the benefit monitoring and evaluation study was submitted to ADB in August 1999.

B. Implementation Arrangements

1. Organization

24. Under the BOU Act in 1992, BOU, an autonomous education institution responsible for distance education, was the Executing Agency for the Project. The Ministry of Education (MOE) expanded the National Steering Committee to include representatives from concerned line ministries, conventional educational institutes, universities, and the private sector. The

committee plays an important role in interministerial coordination of the broadcasting arrangements with Ministry of Information and Ministry of Posts, Telegraph, and Telephone (MPTT), and in the accreditation of BOU's certificate and degree programs with MOE, concerned educational institutes and the private sector. The project implementation unit was established with the vice-chancellor as the chief executive officer and project director, and a Board of Governors as the highest decision-making authority. BOU's current organization and staffing are given in Appendix 3.

25. BOU staffing reflects the special nature of the distance educational institute, which focuses on supporting self-learning activities at the community and village level. There are no regular classroom activities and direct student-teacher contact. BOU comprises the headquarters, 12 RRCs, and 80 LCs. The headquarters is responsible for program development and production, the RRCs for registration and examination, and the LCs for face-to-face student support. In the RRCs and LCs, BOU utilizes as many as 2,500 tutors on a part-time basis to provide close assistance to support individual learning. Therefore, as anticipated at appraisal, the main campus staff comprises the regular faculty and administrative staff, some of whom came from BIDE, and part-time academic experts from conventional educational institutes and universities, as needed for program development.

26. The appointment of staff was delayed by more than two years resulting in a reduction in the local and international training program, particularly related to BOU's management. The initial vice-chancellor was replaced in 1995. The incumbent vice-chancellor immediately improved project implementation.

2. Multimedia Center

27. The actual cost of the media center equipment was about \$6.5 million compared with the appraisal estimate of about \$2.6 million. ADB approved the cost increase to upgrade the media center during the 1995 MTR. The MTR considered the cost increase to be reasonable to equip the center with an essential level of modern media technology, and based on the cost of similar media centers in the region. However, the media center as finally designed and implemented was not appropriate to the needs of the Project because (i) BOU has difficulty meeting its high operation and maintenance costs, and (ii) the fluctuation in demand for the production of BOU's audio and video programs makes it difficult for BOU to achieve full utilization of the media center.

3. Delivery System

28. Consistent with the Government's objectives under the Fourth Five Year Plan, and the provisions of the Loan Agreement, BOU enhanced its delivery system by (i) increasing the broadcasting frequency of the programs on TV and radio, (ii) utilizing additional broadcasting channels, and (iii) extending the length of programs. Broadcasting of BOU's programs by Bangladesh Television has been extended to 40 minutes a day for six days a week from 25 minutes a day for five days a week at the outset of the services. Similarly, BOU's programs over Radio Bangladesh have been extended to 35 minutes a day, seven days a week from 30 minutes a day. The current broadcasting schedule is attached in Appendix 5.

29. The Government provided financial support at its own cost to establish 80 LCs and two additional RRCs to ensure effective community participation in the distance education system. The LCs provide on-site, face-to-face tutorial services by part-time tutors from the local communities. To enhance the program delivery service, BOU, at its own initiative, developed an extensive network of tutorial centers using one to two rooms in local schools and district

centers. These are closer to the beneficiaries than the local LCs. The Government provides the rooms free of charge to BOU for use by tutors mobilized from the teachers in the local schools. The addition of about 800 tutorial centers in the BOU organizational structure has improved the impact of the Project by bringing education closer to the rural poor and women who want an alternative means of learning that is convenient to them, and to urban workers who want to upgrade their skills and knowledge without having to reduce their working hours and take-home pay.

30. In 1998, the national media survey indicates that the national ownership of TV sets had increased from 8 percent at appraisal to 14 percent at the time of the project completion. The survey indicates that those who are less educated tend to rely on TV and radio as their main source of information, while educated people rely mainly on magazines and newspapers. The survey also reveals that uneducated people have virtually no access to or interest in printed materials, because they are unaffordable. These findings support the relevance of the program delivery by TV and radio.

4. Coordination with Existing Educational Facilities and Formal Institutes

31. Under its act, BOU has operational autonomy, including the issuance of degrees, diplomas, and certificates. The Loan Agreement covenants that the Government must recognize BOU's degrees, diplomas, and certificates as equivalent to those issued by the conventional education institutions, such as universities, and higher and lower secondary schools. However, the Government has not yet given full recognition to BOU's SSC, higher secondary school certificate (HSC), CEEd, and bachelor of agricultural education. This has precluded BOU's SSC and HSC certificate holders from attending conventional education colleges. The failure to recognize BOU's certificates may jeopardize the Project's impact and sustainability unless the Government takes action promptly to comply with the loan covenant.

32. For nonformal programs, BOU will invite nongovernment organizations (NGOs) to jointly produce and deliver some programs. Currently, the Government does not allow national broadcasters, such as Bangladesh TV and Radio, to broadcast programs originating from NGOs. The invitation to NGOs will not only assist them to produce and disseminate their information programs, but will also help BOU improve the cost effectiveness, quality, and coverage of its own nonformal programs.

5. Financing and Cost Recovery

33. Following the provisions of the Loan Agreement, the Government allows BOU to retain the earnings from its program fees separately from the annual recurrent budgets provided by the Government. Thus BOU can independently fund its program development and meet part of its operating expenses.

34. For BOU's operating expenditures, including staff salaries, the Government's project pro forma stipulated that the Government through the recurrent revenue budget, and BOU from its own earnings should cover 70 and 30 percent respectively of BOU's total annual expenditures. BOU's future capital expenditures for repairs, replacements, and new investments will be financed from the capital development budget. From FY1998-FY2002, BOU will receive Tk250.0 million, or about \$5 million for land acquisition and the construction of 80 LC facilities, computer networking, additional staff residences in the main campus, and other utilities.

35. BOU's capital development budget depends on the competing investment demands on the Government, of which the timely provision cannot be fully assured. BOU is thus preparing

a business plan, including the leasing of the media center and sale of textbooks and audio and video tapes to augment its income. At the time of Project Completion Review Mission, contract negotiations were already being undertaken with emerging private broadcasters such as Ekushe Television, Asia Television Network, and Channel I to lease facilities in BOU's media center. BOU was also firming up financing arrangements with other financiers on a grant basis to fund these activities. Projections of cost recovery from fee income and a self-sustaining, five-year cash flow, jointly prepared by the Mission and BOU, are attached in Appendix 6.

36. BOU needs to strengthen its cash management policies and procedures, including bank account management and fee collection. Although BOU developed a separate payment system for some programs such as the SSC, HSC, Masters of Education, and BEd, BOU does not have an effective tuition-tracking system due to the lack of proper accounting and student records. During FY1992-FY1999, BOU appeared to have collected only about 40 percent of tuition fees due; only initial payment had been collected. Although students have paid their registration fees or initial payments to BOU's banks, substantial amounts still await transfer to BOU's central account. This is due to the lack of proper reconciliation procedures in BOU, as well as the reluctance of the collecting banks to transfer the money promptly to BOU's central account in Dhaka. The cash-flow projections prepared by staff highlight the urgent need for BOU to improve its fee collection rate significantly to maintain at least a breakeven cash-flow position.

C. Project Costs

37. At appraisal, the total project cost was estimated at \$43.0 million equivalent comprising \$10.5 million (24 percent) in foreign exchange costs (including \$1.0 million for service charges) and \$32.5 million equivalent (76 percent) in local currency costs. ADB approved a loan of SDR24.6 million (\$34.3 million equivalent) from its Special Funds resources to finance 80 percent of the total project cost, including the entire foreign exchange cost and \$23.8 million equivalent of the local currency cost.

38. The actual cost of the Project was \$41.1 million or 4.3 percent below the original cost estimate. At the close of the Project, the estimated proportion of foreign exchange cost and local currency cost against the total project cost was \$19.8 million (48 percent) and \$21.3 million (52 percent), compared with the estimated ratios at appraisal of 24 and 76 percent, respectively. The Government counterpart funds amounted to \$8.4 million versus \$8.7 million at appraisal.

39. Comparing the actual expenditure with the original plan, there were major changes in civil works, instructional materials development, consulting services, and BOU staff salaries. The actual cost of civil works and media development were significantly higher than estimated because of the higher cost of the media center equipment (\$6.5 million actual versus \$2.6 million planned) and a \$4.0 million additional cost for construction on the main campus. These cost increases were approved by ADB upon the 1995 MTR recommendation. The cost of international consulting services was \$1.1 million compared with \$2.4 million at appraisal. This reduction was due to the cancellation of 50.5 person-months of the original 129 person-months for international consultants. In addition, the use of domestic consulting services was much lower than envisaged at appraisal. The reduction was mainly due to BOU utilizing professional staff from BIDE and part time staff from other universities and institutes.

40. At appraisal, \$7.9 million was allocated for the recurrent cost of staff salaries, including \$3.1 million from ADB and \$4.8 million from the Government. Only \$0.4 million of ADB's allocation was utilized. The Government disbursed \$2.9 million against its original allocation of \$4.8 million. This was due to delays in staff recruitment. Instead of completing the recruitment of 705 staff in the first two years as envisaged at appraisal, BOU took the full project

implementation period to complete the recruitment of 758 new staff, mainly in the latter years. Moreover, although BOU obtained 80 staff from BIDE, their salaries were already covered by the recurrent revenue budget, so there was no need to provide for them from the Project. The actual project costs and financing arrangement versus the original cost estimates and financing plan are summarized in Appendix 7.

D. Project Schedule

41. The Project was completed in December 1998, six years after it commenced in 1993, including a one-year extension of the loan closing date. The extension was approved by ADB to recover the time spent for the NAS, which was mandated by ADB to clarify the feasibility of the Project prior to physical implementation. Staff recruitment was completed by the end of the Project rather than within the first two years as scheduled. Consequently, staff development activities were also continued until the Project was closed. Also, there was a two-year delay in completing the construction of the RRCs due to litigation for some land acquisition, seasonal monsoons, and floods.

42. Although there were delays, project implementation was completed by the revised completion date.

E. Engagement of Consultants, and Procurement of Goods and Services

43. Two international consulting firms and 12 individual international consultants were engaged by BOU under ADB financing in accordance with Schedule 5 of the Loan Agreement, as well as ADB's *Guidelines on the Use of Consultants*. Domestic consultants financed by ADB were also engaged by BOU on an individual basis by using Government procedures satisfactory to ADB. Although there were delays in recruitment due to slow implementation progress, there were no significant problems in the consultant selection process. ADB-financed procurement of goods and services was in accordance with Schedule 4 of the Loan Agreement as well as *ADB's Guidelines for Procurement*.

44. The recruitment of consultants and the procurement of goods and services were implemented without significant problems. Details are summarized in Appendixes 1 and 4.

F. Performance of Consultants, Contractors, and Suppliers

45. Overall, the technical advice provided by the consultants was satisfactory. However, the delay in staffing BOU followed by out-of-country fellowships made it difficult for the consultants to work effectively together with BOU staff in the field. Also, one international consulting firm delayed submission of supporting documents for payments; this caused a one-year delay in disbursement of about \$1.0 million until near project completion. The issue was resolved through ADB's intervention; however, it revealed the need for closer contact and cooperation between the consulting firm and BOU. The performance of the contractors and suppliers was generally satisfactory, with the exception of some delays in the delivery of goods and services.

G. Conditions and Covenants

46. The major loan covenants were generally complied with although there were some delays in compliance, including (i) the initial agreements between BOU, Bangladesh Television, Radio Bangladesh, and MPTT regarding broadcasting of BOU's educational programs, which became effective in November 1992; (ii) the evaluation of BEd and CELP programs, which were completed in 1995; and (iii) the recognition by MOE and The University Grants Commission of

the equivalence of BOU degrees, diplomas, and certificates with those of conventional educational institutions. The status of compliance with the covenants is summarized in Appendix 9.

H. Disbursement

47. Final disbursement was on 28 September 1999. The actual total loan disbursement was \$32.8 million compared with the original \$34.3 million. ADB cancelled the difference of \$1.5 million upon project completion. During implementation, ADB reallocated \$5.0 million from the unallocated category to meet the cost of the BOU media center, particularly for media equipment. In 1998, ADB made minor reallocations to meet expenditure requirements for the completion of the Project. Disbursement was accelerated in the last three years during which about 70 percent of the total amount was disbursed. Accordingly the utilization of the imprest account was improved from a turnover ratio of less than 1 before 1996 to a ratio of more than 2 during 1997–1998. A summary of loan disbursements is given in Appendix 10.

I. Environmental and Social Impacts

48. The Project had no adverse environmental impact; civil works were minor and were carried out in accordance with Government regulations. In terms of the Project's social impact, the final report of the benefit monitoring and evaluation study conducted by BOU in 1998-1999 indicated that the Project had many positive impacts. BOU's nonformal programs improved family and socioeconomic conditions mainly of the rural poor by disseminating information and basic skills in agriculture, environmental protection, house-keeping, hygiene and health, and family planning. BOU's formal programs (i) enhanced the self-esteem of people; (ii) improved access to the job market, particularly for the poor and rural women; and (iii) provided workers with in-service training opportunities.

J. Performance of the Borrower and the Executing Agency

49. The Government's performance was satisfactory in terms of the timely disbursement of the counterpart funds and provision of the legal framework by approving the BOU Act in 1992. During the Mission, the Government assured ADB that it would act on the recognition of BOU certificates such as SSC and HSC on an urgent basis. BOU is a newly established institution with most of its staff appointed during project implementation. Although there were some delays and problems that needed ADB's assistance, the role of BOU as the project Executing Agency was largely as envisaged during appraisal. BOU acted on issues related to procurement of goods and services, processing of contracts and disbursements, as well as coordination with other ministries to secure the broadcasting arrangement and accreditation of formal programs. In particular, BOU effectively implemented the comprehensive NAS near the beginning of the Project, as required by ADB.

50. During project implementation, some inefficiencies arose due to BOU's centralized decision-making system; this delayed staffing, lowered the morale of managerial staff, and failed to institutionalize the regular operations and management functions. Although the centralized decision making by the top management was effective and efficient at the outset of the Project when BOU was still relatively small in size and in its operations, BOU's performance became less efficient later with the expansion of its organization and operations. Some management reorganization, including the delegation of authority, would have improved BOU's overall efficiency.

K. Performance of ADB

51. To strengthen project design, ADB required implementation of a NAS prior to the commencement of physical implementation. To recover time spent on the survey, ADB approved a one-year extension recommended by the 1995 MTR. ADB provided close supervision and guidance throughout project implementation by fielding 15 supervisory missions totaling 158 person-days, including site visits to the RRCs and some LCs, and providing assistance to resolve a payment dispute between a consulting firm and BOU. BOU's requests for changes in implementation arrangements that would make the Project more responsive to local needs were generally approved by ADB upon recommendation of the review missions. ADB's resident mission in Dhaka provided close support and coordination with concerned ministries and agencies involved in the establishment and initial operations of BOU.

III. EVALUATION OF INITIAL PERFORMANCE AND BENEFITS

52. Before the Project, access to education by the poor and rural women was limited due to the high cost of education; lack of time to attend classroom lessons, inconvenient scheduling that competed with their daily work routine and inconvenient locations of formal schools. The Government lacked resources to provide more educational opportunities, including trained teachers and funds to construct new schools. This situation would likely disadvantage the rural poor and exacerbate the rural-urban gap. Moreover, the cost of in-service training for upgrading skills was unaffordable to the workers, as they had to leave the office or workplace to attend training.

53. The Project has improved this situation. BOU's distance education by radio and TV, complemented by the extensive student assistance network of 2,500 community tutors, 80 LCs, 12 RRCs, and BOU's main campus are providing the rural population, including the poor and the rural women, with more equitable access to education. Enrollments in BOU's formal programs, which issue certificates and degrees, reached 130,000 by mid-1998 and more than 180,000 by March 1999, versus 150,000 as anticipated in 1998. Of the 180,000 enrollments, about 40 percent were women. In 1998, enrollments in the SSC program reached 35,000 enrollments with the women's share at above 70 percent. Women's share in the CEed course exceeded 80 percent of 20,000 registered students. Many females who were precluded from regular education due to traditional marriage at an early age and/or family poverty have been provided an opportunity to access education. The BOU system reduced the cost of education to an affordable level for the rural poor and women. Moreover, the BOU system has provided education for all age groups, e.g., the age of students in the SSC programs range from 25 to 75 years old. A major local news paper, The *Daily Star* reported in 1998 that two grandmothers and their granddaughters enrolled in BOU. Under its formal programs, BOU also provides workers with access to in-service training for which they do not need to take leave from their workplace. Enrollment data are summarized in Appendixes 2 and 6.

54. In the initial stage of operation, BOU has already provided (i) more equitable access to education for all, despite age, location, or income; (ii) better access to the job market and increased earnings, and better opportunity for workers to attend in-service training to upgrade their skills and knowledge through the formal programs; and (iii) improved quality of life through its nonformal programs. The project benefit monitoring and evaluation completed in 1999 reported that BOU contributed to building the self-esteem of vulnerable, poor, and rural women. It is expected that the Project will have a significant impact on reducing poverty and the rural-urban gap in the medium to long term.

IV. CONCLUSIONS AND RECOMMENDATIONS

A. Conclusions

55. Overall, the Project is considered to be successful. In terms of efficacy, the Project was highly successful in providing access to education to more than 180,000 students; this exceeded the appraisal target of 150,000 by 20 percent. In terms of efficiency, the Project was successfully implemented despite some delays at the outset and cancellation of some consulting services. The delay was largely due to the NAS, which ADB required to be completed prior to commencement of physical implementation. For the consulting services, BOU utilized in-house, part-time faculty and specialists from universities and the media. All the physical and technical implementation was completed successfully before the revised loan closing date. The Project is considered to be sustainable. The Government has provided a major part of BOU's budgetary revenue allocation for FY1999-FY2000 and the balance is currently under consideration in the Government's revised revenue budget. Furthermore, the Government passed the BOU Act in 1992 to establish the policy framework for BOU's operations. Nearly all of the staff who took out-of-country fellowships returned to work in BOU. The Government also assured ADB that it will act urgently on the delayed recognition of the SSC and HSC certificates. In terms of relevance to ADB's objective of poverty reduction, the socioeconomic needs of the country, and consistency with ADB's sectoral strategy, the Project successfully met the educational needs of disadvantaged groups, particularly women and rural poor who had been precluded from the conventional education system. The women's share of BOU cumulative enrollments exceeded 40 percent.

B. Recommendations

1. Future Monitoring and Assistance

56. The future sustainability of the Project's operations will mainly depend on improvements in BOU management. Any weakening of BOU management may discourage the Government from providing budgetary allocations from its limited financial resources. Through the Bangladesh Resident Mission, ADB should monitor and provide necessary advice and assistance for the improvement of BOU management. Also, the close monitoring by the resident mission of the status of recognition of BOU's certificates, such as the SSC and HSC, by MOE is needed to maximize project impact. This includes following up with MOE on the suggestion made by the Mission to allow BOU students to sit for the SSC and HSC examinations conducted by the examination boards for students in the conventional schools. ADB should monitor BOU's continued benefit monitoring and NAS to institutionalize program upgrading to maintain relevance.

2. Timing of Project Performance Audit Report

57. BOU's distance education system does not have a regular or fixed academic year for conducting courses. Some students complete their course quickly, while others take longer. Some students may even restart their learning after several years. The impact of the Project should be measured in the medium to long term. Therefore, it is recommended that the preparation of the project performance audit report be undertaken in about 2003 to enable ADB to thoroughly assess the Project's operational performance and development impact in line with ADB's poverty reduction strategies and cross-cutting concerns.

C. Lessons Learned

58. The success of the Project largely depended on close coordination with MOI and MPTT to ensure access to the Bangladesh TV and radio network to make the best use of existing technological resources in the country as a means of communicating with students. Coordination with government agencies and the private sector to increase the utilization of the media center will improve the impact of the Project. Future ADB projects should promote strong coordination between government agencies and the private sector to maximize project benefits, cost effectiveness, and utilization of project facilities.

59. BOU's sound management is a prerequisite to ensure continued Government commitment to the Project. There were Government concerns about the quality of BOU management; these are likely to reduce the Government's priority given to providing BOU with timely allocation of adequate budget assistance and with an appropriate policy framework. To receive continued support, BOU must establish and demonstrate reliable management capacity that is transparent and accountable to concerned stakeholders. ADB projects must include adequate institutional strengthening and capacity building support to ensure the sound management and institutional sustainability of the projects. Review mission should monitor the progress closely throughout the implementation period.

60. Under the Project, the international training was planned and implemented largely by an international consulting firm. However, the EA can be given more responsibility for organizing and arranging out-of-country training and fellowships in future projects as (i) the availability of information on training programs and institutes has increased due to the current state-of-the-art technologies, including Internet web sites; (ii) the direct arrangement of training programs by the EA with international institutes will enhance the relevance, efficiency, and efficacy of the training; (iii) direct contacts with international training institutes will be useful for EA's future reference; (iv) stakeholder ownership of the EA will be enhanced; and (v) there will be cost savings for planning and implementing out-of-country training.

APPENDIXES

Number	Title	Page	Cited on (page, para.)
1	Procurement of Goods and Services	15	3, 12
2	Schools, Programs, and Enrollments	16	3, 14
3	Staffing and Staff Development	19	3, 16
4	Actual Versus Planned Use of Consultants	22	5, 21
5	Broadcasting Schedules	23	6, 28
6	Financing and Cost Recovery	25	8, 35
7	Project Costs and Financing Plan	28	9, 40
8	Implementation Schedule	29	9, 42
9	Status of Compliance with Loan Covenants	30	10, 46
10	Loan Disbursements	38	10, 47

PROCUREMENT OF GOODS AND SERVICES

Project Component	Amount (\$ million)		Procurement Method		Disbursement Method	
	RRP	Actual	RRP	Actual	RRP	Actual
A. Infrastructure Development						
1. Detailed Engineering	0.33	0.78	LCB	LCB	I	I
2. Civil Works ^a	6.42	10.45	LCB	ICB/LCB	I	I
B. Vehicles	0.24	0.65	ICB/IS	IS	D	I
C. Equipment/Furniture	2.00	1.96	LCB/ ICB/IS	IS/DP	D	I/D
D. Media Equipment ^a	2.72	6.52	IS/ICB	IS/ICB	D	I/D
E. Staff Development	2.13	1.75			I	I
F. Consulting Services	3.52	1.17			I	I
G. Research and Evaluation	0.36	0.15			I	I
H. Project Implementation						
1. PIU Staff Salaries	0.59	0.42			I	I
2. Salaries	7.14	0.44			I	I
3. Instructional Materials	7.87	4.50	LCB	LCB/IS	I	I
4. Operating Cost	2.30	3.11	DP	DP	I	I

D = direct payment, DP = direct purchase, I = imprest fund account, ICB = international competitive bidding, IS = international shopping, LCB = local competitive bidding, PIU = project implementation unit, R = reimbursement, RRP = report and recommendation to the president.

^a The media center was awarded to a consortium by a turnkey contract for \$10.0 million including \$6.2 million for the media equipment and \$4.0 million for the civil works.

Source: Bangladesh Open University.

SCHOOLS, PROGRAMS, AND ENROLLMENTS

Table A2.1: Schools and Formal Programs

No.	School	Programs	Year of start	Minimum Study Period	Qualification	Prerequisite
1.	Open School	SSC	1995	2 years	SSC	8 th grade
2.	Open School	HSC	1998	2 years	HSC	SSC
3.	School of Education	BEd	1992	2 years	BEd	Graduate
4.	School of Education	CEd	1998	1.5 years	CEd	SSC
5.	School of Education	MEd	1999	1 year	MEd	BEd
6.	School of Social Science, Humanities, and Language	CELP	1994	6 months	CELP	SSC
7.	School of Social Science, Humanities, and Language	CALP	1996	6 months	CALP	SSC
8.	School of Social Science, Humanities, and Language	BELT	1997	2 years	BELT	Graduate
9.	School of Social Science, Humanities, and Language	BA/BS				
10.	School of Business	CIM	1995	2 years 1 years	BA/BS CM	HSC HSC
11.	School of Business	GDM	1995	2 years	GDM	Graduate
12.	School of Business	MBA	1998	2.5 years	MBA	GDM
13.	School of Agriculture and Rural Development	BAGEd	1997	3 years	BAGEd	HSC
14.	School of Agriculture and Rural Development	CLP	1999	5 months	CLP	SSC
15.	School of Agriculture and Rural Development	CPFP	1999	6 months	CDFP	SSC
16.	School of Agriculture and Rural Development	DYD	1999	1 years	CPFP	SSC
17.	School of Science and Technology	DCA	1999	1.5 years	DYD	Graduate
18.	School of Science and Technology	BSc Nursing	1999	3 years	BSc Nursing	Diploma

BA = bachelor of arts, BAGEd = bachelor of agriculture education, BEd = bachelor of education, BSc Nursing = bachelor of science in nursing, BELT = bachelor of english language teaching, BSS = bachelor of social science, CEd = certificate in education, CALP = certificate in arabic language proficiency, CELP = certificate in english language proficiency, CLP = certificate in livestock & poultry, CM = certificate in management, CPFP = certificate in poultry & fish processing, DCA = diploma in computer application, DYD = diploma in youth development, GDM = graduate diploma in master, HSC = higher secondary certificate, MEd = master of education, SSC = secondary school certificate.

Note: BA/BS program and BSc Nursing program have been developed but not yet started.

Source: Bangladesh Open University.

SCHOOLS, PROGRAMS, AND ENROLLMENTS**Table A2.2: Schools and Nonformal Programs**

School	Program Name	Year of Launching
Open School	1. Basic Science	January 1992
	2. Mathematics	
School of Agriculture and Rural Development	3. Agriculture	July 1993
	4. Pisciculture	
	5. Fish Processing	
	6. Afforestation	
	7. Horticulture	
	8. Poultry	
	9. Livestock	
School of Business	10. Bank Loans	January 1996
	11. Marketing Management	
School of Business/School of Agriculture and Rural Development	12. Preparation and Preservation of Food	January 1996
School of Science and Technology/ School of Business	13. Health, Nutrition	January 1996
	14. Population Studies	
School of Science and Technology/ School of Education	15. Maternity & Child Care	July 1996
	16. Environment	July 1995
School of Social Science, Humanities and Language/School of Agriculture and Rural Development	17. Irrigation Management	January 1997
	18. Women in the Work Force	January 1997
School of Social Science, Humanities and Language/Open School	19. Religion and Ethics	January 1995

Note: Nonformal programs are delivered by radio/television broadcasting only. They do not use printed materials.
Source: Bangladesh Open University.

**Table A2.3: Admitted Students
to Bangladesh Open University
1992 to 1999**

Name of Programs	Launching Year	Sex				Total Students	Passed Students	Current Students
		Male		Female				
		Number	%	Number	%			
SSC	1995	46,788	55	38,281	45	85,069	10,027	75,042
HSC	1998	6,601	55	5,400	45	12,001		12,001
MEd	1999	614	55	503	45	1,117		1,117
BEd	1992	23,332	55	19,089	45	42,421	15,619	26,802
CEd	1998	1,378	40	2,066	60	3,444		3,444
GDM	1995	9,250	85	1,632	15	10,882	21	10,861
CIM	1995	899	85	159	15	1,058		1,058
MBA	1998	369	90	41	10	410		410
BELT	1997	1,243	70	533	30	1,776		1,776
CELP	1996	13,984	70	5,993	30	19,977	1,990	17,987
CALP	1996	1,121	80	280	20	1,401	200	1,201
BAGEd	1997	2,685	90	298	10	2,983		2,983
DYD	1999	125	83	25	17	150		150
CLP	1999	142	100	0	0	142		142
CPFP	1999	37	97	1	3	38		38
DCA	1998	1,143	85	202	15	1,345		1,345
Total		109,711	60	74,503	40	184,214	27,857	156,357

BA = bachelor of arts, BAGEd = bachelor of agriculture education, BEd = bachelor of education, BScNursing = bachelor of science in nursing, BELT = bachelor of english language teaching, BSS = bachelor of social science, CEd = certificate in education, CALP = certificate in arabic language proficiency, CELP = certificate in english language proficiency, CLP = certificate in livestock & poultry, CM = certificate in management, CPFP = certificate in poultry & fish processing, DCA = diploma in computer application, DYD = diploma in youth development, GDM = graduate diploma in master, HSC = higher secondary certificate, MEd = master of education, SSC = secondary school certificate.

Source: Bangladesh Open University.

STAFFING AND DEVELOPMENT

Table A3.1: Staffing

Top Management	RRP	Actual
Vice-Chancellor (Project Director)	1	1
Pro-Vice-Chancellor	3	1
Treasurer	0	1
Subtotal	4	3

For Administrative Divisions

Divisions	Director		Senior Deputy Director		Deputy Director		Senior Assistant Director		Assistant Director		Total	
	RRP	Actual	RRP	Actual	RRP	Actual	RRP	Actual	RRP	Actual	RRP	Actual
	Administration	1	1	0	0	4	6	0	0	9	8	14
Finance and Accounts	1	1	0	0	3	3	0	0	2	3	6	7
Publishing, Printing, and Distribution	1	1	0	0	3	2	0	0	6	3	10	6
Information and Public Relations	1	1	0	0	0	1	0	0	1	1	2	3
Student Support Services	11	1	0	12	2	2	0	0	23	15	36	30
Computer	1	1	0	1	0	0	0	2	2	0	3	4
Media	1	1	0	0	3	2	0	0	3	2	7	5
Survey, Research, and Evaluation	1	0	0	0	0	0	0	0	0	0	1	0
Distance Education and Training	0	0	0	0	0	0	0	0	0	0	0	0
Administration and Examination	1	1	0	0	2	1	0	0	3	4	6	6
Academic Planning and Monitoring	1	1	1	1	4	4	2	2	4	4	12	12
Library and Documentation	1	1	0	0	1	1	0	0	1	1	3	3
Subtotal	21	10	1	14	22	22	2	4	54	41	100	91

For Schools

Schools	Director/Professor		Associate Professor		Assistant Professor		Lecturers		Total	
	RRP	Actual	RRP	Actual	RRP	Actual	RRP	Actual	RRP	Actual
	Social Science, Language, and Women's Studies	3	2	5	4	5	6	5	6	18
Education and Management Studies	3	4	3	6	4	7	5	10	15	27
Health and Population	2	0	3	0	4	0	3	0	12	0
Agriculture and Rural Development	2	2	2	2	3	3	3	4	10	11
Open Technology	2	2	2	2	2	2	1	3	7	9
Open School	3	2	2	2	4	5	8	8	17	17
Regional and Local Services Division	0	0	0	0	40	0	0	0	40	0
Subtotal	15	12	17	16	62	23	25	31	119	82

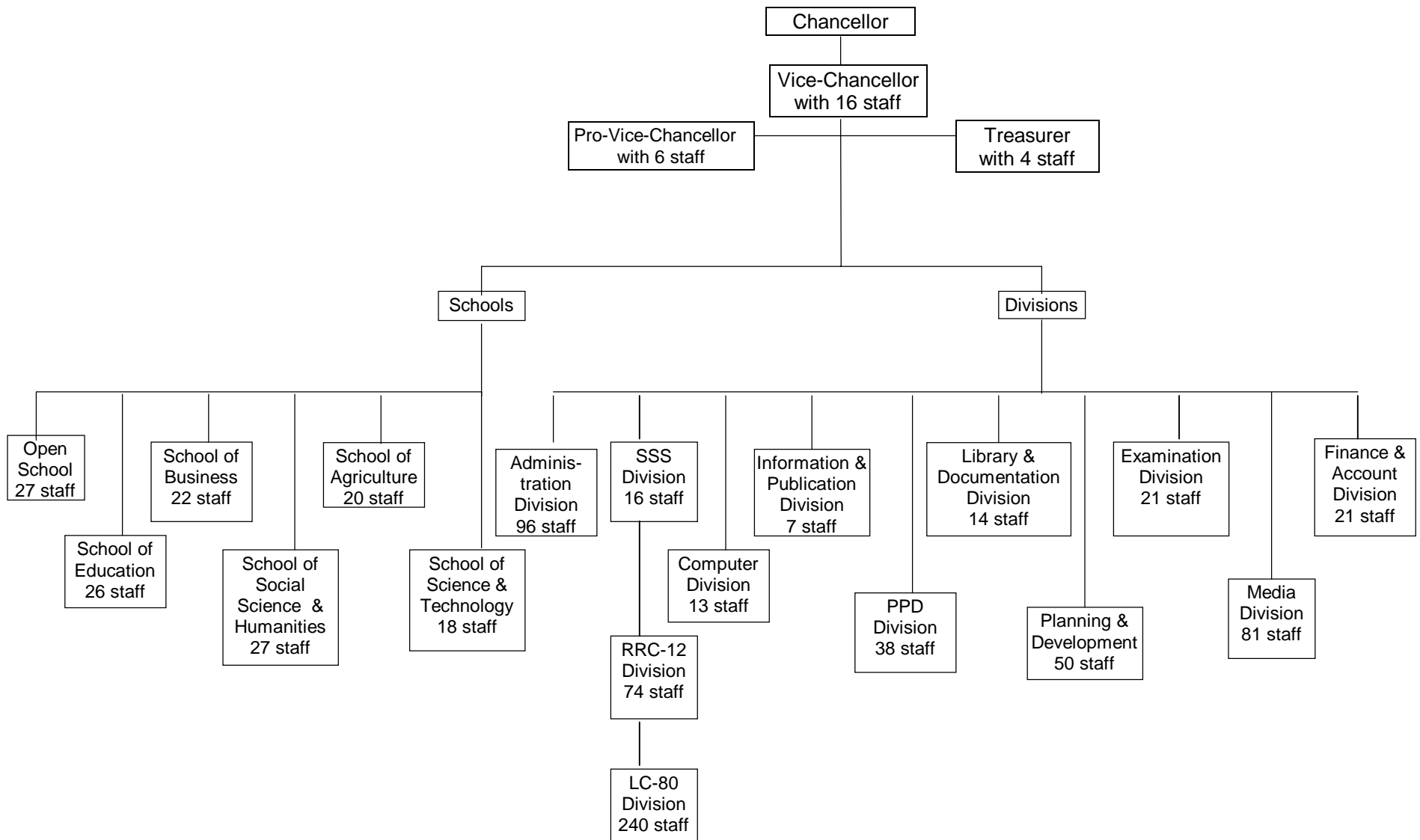
Managerial and Academic Officers	RRP	Actual	Other Staff	RRP	Actual
Administration	4	12	Technical	92	69
Media Division	13	19	Administrative	48	16
Library and Documentation Division	0	1	Support	306	351
Estates and Campus Development Division	6	11			
Regional and Local Services Division	0	82			
Publishing, Printing, and Distribution	5	6			
Information and Public Relations	1	1			
Examination	3	3			
Computer	3	5			
Finance and Account	1	5			
Subtotal	36	145	Subtotal	446	436

Staffing	RRP	Actual
Staff appointed under the Project		
Top Management	4	3
For Administrative Divisions	100	91
For Schools	119	82
Managerial and Academic Officers	36	145
Other Staff	446	436
Subtotal	705	757
Staff transferred from Bangladesh Institute of Distance Educ.	0	80
Total	705	837

RRP = Report and Recommendation of the President.

Source: Bangladesh Open University.

ORGANIZATION CHART OF BANGLADESH OPEN UNIVERSITY



Note: Part of the staff transferred from Bangladesh Institute of Distance Education (BIDE) is not yet fully represented in the diagram.
 Source: Bangladesh Open University.

Table A3.2: International Fellowships

No.	Designation	Plan		Actual						
		Parti- cipants	Person Months	arranged by BOU		arranged by a firm		Total		Persons left
				Parti- cipants	Person Months	Parti- cipants	Person Months	Parti- cipants	Person Months	
1	Vice Chancellor	1	-	1	2.05	1	1	2	3.05	0
2	Pro Vice Chancellor/ Treasurer	2	-	3	1.5	2	2	5	3.5	1
3	Directors	17	-	10	5.3	5	4.7	15	10	2
4	Professors	9	-	5	8	4	2.7	9	10.7	2
5	Deputy Directors	15	-	5	3	12	9	17	12	0
6	Assistant Directors	13	-	5	4	23	9.5	28	13.5	0
7	Associate Professors	16	-	3	2	1	1	4	3	1
8	Assistant Professors	34	-	3	1.8	9	47	12	48.8	0
9	Lecturers	25	-	2	1	27	49	29	50	2
10	Chief Engineers	1	-	0	0	1	0.7	1	0.7	0
11	Deputy Chief Engineers	1	-	0	0	1	0.7	1	0.7	0
12	Librarian	1	-	0	0	1	0.7	1	0.7	0
13	Senior Software Engineer	1	-	0	0	1	1.2	1	1.2	0
14	Media Producer	8	-	1	0.5	6	3	7	3.5	1
15	Media Engineers	5	-	0	0	9	4.5	9	4.5	0
16	RRC Directors	6	-	0	0	3	1.5	3	1.5	0
17	Others ^a	0	-	5	3.3	26	14	31	17.3	2
18	Administration	0	-	8	6	-	-	8	6	0
	Total	164	414^b	51	38.45	132	152.2	183	190.65	11

BOU = Bangladesh Open University.

^a accounts officers, administrative officer, art officer, assistant engineer, cameraman, graphic designer, publication officer, section officer, subassistant engineer.

^b breakdown of person months not available in the plan.

Source: Bangladesh Open University.

Table A3.3: In-Country Training (1993-1999)

No.	Designation	Plan		Actual	
		Participants	Person Months ^a	Participants	Person Months
1	Assistant Directors	18	-	60	30
2	Assistant Directors (PPD & Computer Division)	7	-	6	2.5
3	Assistant Professors	25	-	26	10
4	Lecturers	40	-	30	15
5	Technical Staff of PPD, Computer, & Media Division	64	-	175	50
6	Professional Staff of Library and Documentation Division	5	-	20	0.8
7	Part time Staff (Tutors, Coordinators, Counselors, Writers)	136	-	2500	250
8	Part-time Evaluators	215	-	500	33.4
9	Others		-	185	50.3
	Total	510	550	3,502	442

PPD = printing and publishing division.

^a breakdown of person months not available in the plan.

^b part-time staff (Tutors, Coordinators, Evaluators, Writers).

Source: Bangladesh Open University.

**ACTUAL VERSUS PLANNED USE OF CONSULTANTS
(PERSON-MONTHS)**

Area	Consultancy As Per Plan		Consultancy As Per Actual					
	Individual Consultancy		Domestic			International		
	Domestic	International	Individual	Firm	Total	Individual	Firm	Total
Institutional Planning and Management	24	54	2	0	2	12.5	8.83	21.33
Media and Information System	30	35	0	0	0	12.0	6.0	18.0
Student Support Services	0	10	0	0	0	3.0	7.0	10.0
Research, Evaluation, and Examinations	24	10	4	0	4	2.35	1.0	3.35
Design and Development of Academic Programs	120	120	0	0	0	4.5	9.4	13.9
Total	198	129	6		6	34.35	32.23	66.58

Source: Bangladesh Open University.

BROADCASTING SCHEDULE

Table A5.1: Television Schedule

Telecasting Time	3:20 PM (BTV Dhaka Center)
Program Duration	40 minutes
Formal	20 minutes
Nonformal	20 minutes

School	Formal Program	Nonformal Program	Telecast	Remarks
School of Education	BEd CEd Med	Environment	Saturday	
School of Social Science Humanities and Language	CELP CALP BELT BA	Women and Social Development Religion and Ethics	Sunday	Including News
Open School	SSC HSC	Basic Science, Math, and Computer	Monday	
School of Business	CIM/DIM MBA	Bank/Marketing	Tuesday	
School of Agriculture and Rural Development	BAGEd CLP CPFP DYD	Agriculture, Irrigation, Preparation, Food and Preservations Afforestation	Wednesday	
School of Science and Technology	DICA Nursing	Health and Population	Thursday	

BA = bachelor of arts, BAGEd = bachelor of agriculture education, BEd = bachelor of education, BELT = bachelor of english language teaching, BSc Nursing = bachelor of science in nursing, BSS = bachelor of social science, CALP = certificate in arabic language proficiency, CEd = certificate in education, CELP = certificate in english language proficiency, CLP = certificate in livestock & poultry, CM = certificate in management, CPFP = certificate in poultry & fish processing, DCA = ciploma in computer application, DYD = diploma in youth development, GDM = graduate diploma in master, HSC = higher secondary certificate, MEd = master of education, SSC = secondary school certificate.

Source: Bangladesh Open University.

Table A5.2: Radio Schedule

Telecasting Time	7:00 PM – 7:30 PM (Channel 'Kha')
Program Duration	30 minutes
Formal	15 minutes
Nonformal	15 minutes

School	Formal Program	Nonformal Program	Broadcast	Remarks
School of Education	BEd CEd MEd	Environment	Saturday	
School of Business	CIM/DIM MBA	Bank/Marketing	Sunday	
Open School	SSC HSC	Basic Science, Math and Computer	Monday	Including News
School of Agriculture and Rural Development	BAgEd CLP CPFP DYD	Agriculture, Irrigation, Preparation, Food and Preservations Afforestation	Tuesday	
School of Social Science Humanities and Language	CELP CALP BELT B.A.	Women and Social Development, Religion & Ethics	Wednesday	
School of Science and Technology	DICA Nursing	Health and Population	Thursday	
			Friday	Re-Broadcast

BA = bachelor of arts, BAgEd = bachelor of agriculture education, BEd = bachelor of education, BELT = bachelor of english language teaching, BSc Nursing = bachelor of science in nursing, BSS = bachelor of social science, CALP = certificate in arabic language proficiency, CEd = certificate in education, CELP = certificate in english language proficiency, CLP = certificate in livestock & poultry, CM = certificate in management, CPFP = certificate in poultry & fish processing, DCA = diploma in computer application, DYD = diploma in youth development, GDM = graduate diploma in master, HSC = higher secondary certificate, MEd = master of education, SSC = secondary school certificate.

Source: Bangladesh Open University.

FINANCING AND COST RECOVERY

Table A6.1: Cost Recovery by Formal Programs

School	Program	Fee	Enrollment							Total Cash Received	Total Amount Receivable		
			91/92	92/93	93/94	94/95	95/96	96/97	97/98			98/99	
Open School	1	SSC	2,000				16,199	12,855	15,881	16,281	23,854	85,070	
	2	HSC	3,300				16,199	12,855	15,881	16,281	23,854	85,070	170,140
School of Education	3	MEd	4,500								1,117	1,117	
	4	BEd	7,300	5,075	6,121	5,574	5,540	5,438	4,734	4,816	3,660	40,958	
	5	CEd	2,100	9,643	#####	10,591	10,526	10,332	8,995	9,150	6,954	77,820	298,993
School of Social Science	6	CELP	1,500					3,841	2,524	2,430	1,631	10,426	
	7	CALP	1,500					3,252	3,786	3,645	2,447	13,129	15,639
Humanities and Language	8	BELT	6,900					753	759	443	323	2,277	2,277
									1,077	699	-	1,776	
School of Business	9	CIM	2,700				226	286	349	163	202	1,226	
	10	GDM	8,000				610	772	942	440	545	3,310	3,310
	11	MBA	33,000				1,752	3,805	3,863	1,618	1,780	12,818	102,544
School of Agriculture and Rural Development	12	BAGEd	12,900									615	13,530
	13	CLP	2,100						1,491	912	580	2,983	
	14	CPFP	1,800						2,684	1,642	1,044	5,369	38,481
											142	142	
											298	298	298
School of Science And Technology	15	DYD	FREE								38	38	
											68	68	68
	16	DCA	4,400							718	627	1,345	
									3,159	2,759	5,918	5,918	
	Total Enrollment		5,075	6,121	5,574	23,717	26,727	30,425	42,022	36,301	175,962		
	Total Fee		9,643	#####	10,591	30,839	35,574	48,204	66,290	48,797	261,568	716,450	
	Recovery Rate										36.5%		

BA = bachelor of arts, BAgEd = bachelor of agriculture education, BEd = bachelor of education, BELT = bachelor of english language teaching, BSc Nursing = bachelor of science in nursing, BSS = bachelor of social science, CALP = certificate in arabic language proficiency, CEd = certificate in education, CELP = certificate in english language proficiency, CLP = certificate in livestock & poultry, CM = certificate in management, CPFP = certificate in poultry & fish processing, DCA = diploma in computer application, DYD = diploma in youth development, GDM = graduate diploma in master, HSC = higher secondary certificate, MEd = master of education, SSC = secondary school certificate.

Note:

1. BA/BS program and BSc Nursing program have been developed but not yet studied.

2. In certificate courses like CEd, CELP, CALP, CIM, CLP, CPFP entire course fee is received at one time.

3. In rest of the courses total fees are not collected at a time. For example:

1.1 SSC = during first year only Tk.1000 is received during enrolment and balance is received in the next years.

1.2 HSC = during first year only Tk.1600 is received during enrolment and balance is received in the next years.

1.3 Med. = during first year only Tk.2000 is received during enrolment and balance is received in the next years.

1.4 BEd. = during first semester only Tk.1900 is received during enrolment and balance is received in the next years.

1.5 GDM. = during first semester only Tk.2000 is received during enrolment and balance is received in the next years.

1.6 MBA = during first semester only Tk.1500 is received for three courses during enrolment and balance is received in the next years.

Source: Bangladesh Open University.

Table A6.2: Five-Year Cash Flow Projection
(Tk'million)

Source of Funds	99/00	00/01	01/02	02/03	03/04	04/05
Fees recovered from program fees						
Full recovery case (not used for calculation)	914.36	1,000.00	1,050.00	1,100.00	1,150.00	1,200.00
Recovery Rate = 63%	576.05	630.00	661.50	693.00	724.50	756.00
Other fees	0.00	50.00	60.00	70.00	80.00	100.00
Govt. Revenue Grant-BOU	1,610.00	1,643.87	1,717.31	1,793.74	1,875.23	1,958.43
Govt. Revenue Grant-BIDE	75.00	80.00	90.00	100.00	105.00	110.00
Project financing by other Financiers	0.00	0.00	0.00	0.00	0.00	0.00
Extraordinary Income						
Disposal of facilities	0.00	0.00	0.00	0.00	0.00	0.00
Grant contribution	19.15	20.00	20.00	20.00	20.00	20.00
Total Available Funds for the Year	2,280.20	2,423.87	2,548.81	2,676.74	2,804.73	2,944.43
Use of Funds	99/00	00/01	01/02	02/03	03/04	04/05
Cost of Faculty						
Full-time faculty	93.16	97.82	102.71	107.84	113.24	118.90
Part-time faculty	363.50	375.00	400.00	425.00	450.00	475.00
Cost of Administrative Staff						
Full-time staff	535.53	562.31	590.43	619.95	650.95	683.50
Part-time staff	22.50	22.50	22.50	22.50	22.50	22.50
Maintenance and Minor Repairs						
Media center	0.00	20.00	25.00	30.00	35.00	40.00
Printing/publishing center	2.40	2.50	2.60	2.70	2.80	3.00
Library	1.80	1.80	1.80	1.80	1.80	1.80
Other facilities	42.75	44.89	47.03	51.30	55.58	59.85
RRCs	0.00	5.00	5.00	5.00	5.00	5.00
LSCs	0.00	5.00	5.00	5.00	5.00	5.00
Others	33.20	20.00	20.00	20.00	20.00	20.00
Operating Expenses						
Cost of audio/vidocassetes	30.20	30.20	30.20	30.20	30.20	30.20
Operation of RRCs and LSCs	51.11	55.00	60.00	65.00	70.00	75.00
Other operating expenses	767.20	786.38	806.04	826.19	846.84	868.01
Examination	350.05	400.00	425.00	450.00	475.00	500.00
Tax	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenditure of the Year	2,293.40	2,428.39	2,543.30	2,662.49	2,783.90	2,907.76
Amounts to be Retained	99/00	00/01	01/02	02/03	03/04	04/05
Reserves to be Retained by BOU	(13.20)	(4.52)	5.51	14.25	20.83	36.67
Accumulated Reserve for Revolving funds	(13.20)	(17.73)	(12.21)	2.04	22.87	59.54

BIDE = Bangladesh Institute of Distance Education, BOU = Bangladesh Open University, LSC = Local Study Centers, MOE = Ministry of Education, RRC = Regional Resource Centers.

- Note: 1. Enrollment would increase after the full accreditation of SSC and HSC by MOE.
2. To maintain the breakeven cash flow, fee recovery rate should be at least 63% compared with 36.5% during the implementation period.
3. Government revenue grant covers BOU's recurrent cost.
The amount = $0.7 * ((\text{Total annual recurrent cost}) - (\text{Revenue grant for BIDE staff}))$
4. Negotiation for future grant contribution is under way, subject to successful program implementation.
5. Cost of examination and part-time faculty may increase as new programs are introduced.
6. In calculating maintenance cost, 1 - 3% of the asset value was assumed.
7. Tax payment was not incorporated as the definition of taxable income/profit was not clear.

Source: Bangladesh Open University and Staff Estimates.

Table A6.3: Five-Year Capital Expenditure Projection
(Tk'million)

Capital Expenditure Plan	99/00	00/01	01/02	02/03	03/04-05	Total
Government Development Grant	400.00	1,471.00	629.00	0.00	0.00	250.00
Investment						
Land Acquisition	0.00	30.00	70.00	20.00	0.00	12.00
Training Center	0.00	9.00	16.00	0.00	0.00	2.50
Residential Building	400.00	600.00	0.00	0.00	0.00	100.00
Computer Replacement and Networking	0.00	100.00	100.00	0.00	0.00	20.00
Language Laboratory	0.00	2.00	0.00	0.00	0.00	0.20
Agriculture Laboratory and Farm	0.00	15.00	10.00	10.00	0.00	3.50
Central Science Laboratory	0.00	20.00	15.00	0.00	0.00	3.50
Construction of Local Centers	0.00	650.00	433.00	0.00	0.00	108.30
Major Repairs	0.00	0.00	0.00	0.00	0.00	0.00
Replacements	0.00	0.00	0.00	0.00	0.00	0.00
Total	400.00	1,426.00	644.00	30.00		250.00

Note: For the major capital expenditures such as investments, replacements, and major repairs, the Government provides a development grant.

Bangladesh Open University has received a development grant of Tk250 million for FY1997 - FY2002.

The development grant will expire after FY2002. No part of it can be carried forward beyond FY2002.

Source: Bangladesh Open University.

PROJECT COSTS AND FINANCING PLAN
(contingencies distributed)

(\$'000)

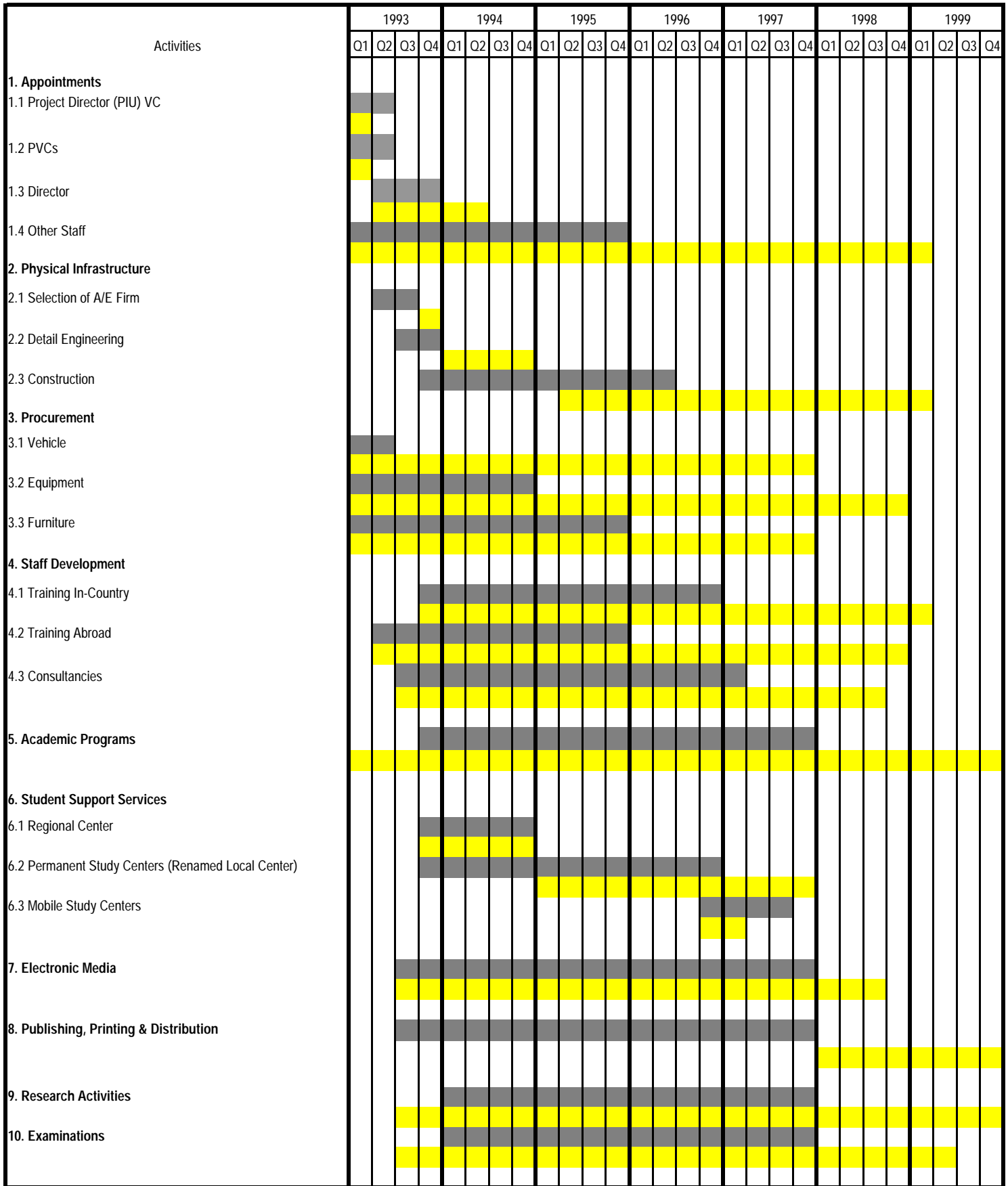
Categories	APPRAISAL								
	ADB			Government					
	Foreign Currency	Local Currency	Total	Foreign Currency	Local Currency	Total	Foreign Currency	Local Currency	Total
A. Physical Infrastructure									
Land Acquisition	0	869	869	0	0	0	0	869	869
Detailed Engineering & Supervision	0	327	327	0	327	327	0	0	0
Civil Works	1,605	4,819	6,424	1,605	4,819	6,424	0	0	0
B. Vehicle, Equipment and Furniture									
Vehicles	244	0	244	244	0	244	0	0	0
Equipment	1,334	0	1,334	1,334	0	1,334	0	0	0
Furniture	0	671	671	0	671	671	0	0	0
C. Instructional Materials Development									
Course Development	135	0	135	135	0	135	0	0	0
Media Development	2,580	0	2,580	2,580	0	2,580	0	0	0
Instructional Materials Devt.	0	9,290	9,290	0	9,290	9,290			
D. Staff Development									
International Fellowship	1,220	0	1,220	1,220	0	1,220	0	0	0
Local Fellowship	0	666	666	0	666	666	0	0	0
Seminar and Symposium	0	246	246	0	246	246	0	0	0
E. Consulting Services									
International	2,421	0	2,421	2,421	0	2,421	0	0	0
Domestic	0	1,098	1,098	0	1,098	1,098	0	0	0
F. Research and Evaluation									
Research & Evaluation	0	292	292	0	292	292	0	0	0
Innovative Activities	0	67	67	0	67	67	0	0	0
G. Project Implementation & Recurrent Costs									
Staff Salaries									
PIU	0	585	585	0	585	585	0	0	0
BOU	0	7,919	7,919	0	3,101	3,101	0	4,818	4,818
Operation, Consumables & Misc.	0	2,648	2,648	0	2,648	2,648	0	0	0
H. Taxes and Duties	0	2,983	2,983	0	0	0	0	2,983	2,983
I. Service Charge during Construction	984	0	984	984	0	984	0	0	0
Total Project Cost	10,523	32,480	43,003	10,523	23,810	34,333	0	8,670	8,670

Categories	ACTUAL								
	ADB			Government					
	Foreign Currency	Local Currency	Total	Foreign Currency	Local Currency	Total	Foreign Currency	Local Currency	Total
A. Physical Infrastructure									
Land Acquisition	0	769	769	0	0	0	0	769	769
Detailed Engineering & Supervision	0	782	782	0	782	782	0	0	0
Civil Works	2,613	7,839	10,452	2,613	7,839	10,452	0	0	0
B. Vehicle, Equipment and Furniture									
Vehicles	650	0	650	650	0	650	0	0	0
Equipment and Furniture	1,963	0	1,963	1,963	0	1,963	0	0	0
C. Instructional Materials Development									
Course Development	4,504	0	4,504	4,504	0	4,504	0	0	0
Media Development	6,524	0	6,524	6,524	0	6,524	0	0	0
D. Staff Development									
International Fellowship	1,725	0	1,725	1,725	0	1,725	0	0	0
Local Fellowship	0	29	29	0	29	29	0	0	0
Seminar and Symposium	0	118	118	0	118	118	0	0	0
E. Consulting Services									
International	1,135	0	1,135	1,135	0	1,135	0	0	0
Domestic	0	31	31	0	31	31	0	0	0
F. Research and Evaluation									
Research & Evaluation	0	151	151	0	151	151	0	0	0
Innovative Activities	0	0	0	0	0	0	0	0	0
G. Project Implementation & Recurrent Costs									
Staff Salaries									
PIU	0	428	428	0	428	428	0	0	0
BOU	0	3,392	3,392	0	444	444	0	2,948	2,948
Operation, Consumables & Misc.	0	3,117	3,117	0	3,115	3,115	0	2	2
H. Taxes and Duties	0	4,660	4,660	0	0	0	0	4,660	4,660
I. Service Charge during Construction	719	0	719	719	0	719	0	0	0
Total Project Cost	19,833	21,316	41,149	19,833	12,937	32,770	0	8,379	8,379

BOU = Bangladesh Open University, PIU = Project Implementation Unit.

Source: ADB.

IMPLEMENTATION SCHEDULE



Appraisal Estimate
Actual Implementation

A/E = Architectural/Engineering, PIU = Project Implementation Unit, PVC = Project Vice Chancellor, VC = Vice Chancellor.
Source: Bangladesh Open University.

STATUS OF COMPLIANCE WITH LOAN COVENANTS

Loan Agreement	Covenants	Status of Compliance
Article IV Section 4.01(b)	In implementing the Project and operating the project facilities, the Borrower will perform, or ensure, all obligations set forth in Schedule 6 to this Loan Agreement.	Complied with.
Article IV Section 4.02	The Borrower will make available, promptly as needed, the funds, facilities, services, land, and other resources required, in addition to the proceeds of the loan, for project implementation and operating and maintaining the project facilities.	Complied with.
Article IV Section 4.03(a)	In implementing the Project, the Borrower will ensure competent and qualified consultants and contractors, acceptable to the Borrower and the Asian Development Bank (ADB), are employed upon terms and conditions satisfactory to the Borrower and ADB.	Complied with.
Article IV Section 4.03(b)	The Borrower will ensure the Project is implemented according to plans, design standards, specifications, work schedules, and construction methods acceptable to the Borrower and ADB. The Borrower will ensure prompt submission to ADB of such plans, design standards, specifications and work schedules, and any material modifications subsequently made, in such detail as ADB will reasonably request.	Complied with.
Article IV Section 4.04	The Borrower will ensure that the activities of its departments and agencies for implementing the Project and operation of the project facilities are conducted and coordinated in accordance with sound administrative policies and procedures.	Complied with.
Article IV Section 4.05(a)	The Borrower will make arrangements satisfactory to ADB, for insurance of the project facilities to the extent and against risks and in amounts as is consistent with sound practice.	Complied with.
Article IV Section 4.05 (b)	Without limiting the generality of the foregoing, the Borrower undertakes to insure, or cause to be insured, the goods to be imported for the Project and to be financed out of the proceeds of loan against hazards incident to the acquisition, transportation, and delivery of the goods to the place of use or installation, and for such insurance any indemnity will be payable in a currency freely usable to replace or repair such goods.	
Article IV Section 4.06(a)	The Borrower will maintain, or cause to be maintained, records and accounts adequate to identify the goods and services and other items of expenditure financed out of the loan proceeds, to disclose their use for the Project, to record the project progress (including the cost thereof) and to reflect, in accordance with consistently maintained sound accounting principles, the operations and financial condition of the agencies of the Borrower responsible for implementing the Project and operating project facilities, or any part thereof.	Complied with.

Loan Agreement	Covenants	Status of Compliance
Article IV Section 4.06(b)	The Borrower will (i) maintain, or cause to be maintained, separate accounts for the Project, (ii) have such accounts and related financial statements, including the imprest account to be established and expenditures liquidated under the statement of expenditures procedures as referred to in paragraph 10, Schedule 3 to this Agreement, audited annually, in accordance with international auditing standards, by auditors acceptable to ADB; (iii) furnish to ADB, as soon as available but in any event not later than 9 months after the end of each related fiscal year, unaudited copies of such accounts and financial statements, and not later than 12 months after the end of each related fiscal year, certified copies of such audited accounts and financial statements and the report of the auditors relating thereto, including, in a separate audited financial statement, the audited accounts and financial statements for the imprest account and expenditures liquidated under the statement of expenditures procedures and the report of the auditors relating thereto, all in English; and (iv) furnish to ADB any other information concerning such accounts and financial statements and their audit as and when ADB reasonably requests.	Complied with.
Article IV Section 4.06(c)	The Borrower will authorize ADB, upon ADB's request, to discuss the Borrower's financial statements for the Project and its financial affairs related to the Project from time to time with the Borrower's auditors, and will authorize and require any representative of such auditors to participate in any such discussions requested by ADB, provided that any such discussion is conducted only in the presence of an authorized officer of the Borrower unless the Borrower otherwise agrees.	Complied with.
Article IV Section 4.07(a)	CTEVT will furnish, or cause to be furnished, to ADB all reports and information as ADB will reasonably request concerning (i) the loan, expenditure of the proceeds, and maintenance of the service; (ii) the goods and services and other items of expenditure financed out of the loan proceeds; (iii) the Project; (iv) the administration, operations, and financial condition of the agencies of the Borrower responsible for implementing the Project and operating the project facilities, or any part thereof; (v) financial and economic conditions in the territory of the Borrower and the international balance-of-payments position of the Borrower; and (vii) any other matters relating to the purposes of the loan.	Complied with.
Article IV Section 4.07(b)	Without limiting the generality of the foregoing, the Borrower will furnish, or cause to be furnished, to ADB, quarterly reports on project implementation and operation and management of the project facilities. Such reports will be submitted in such form and in such detail and within such a period as ADB reasonably requests, and indicate, among other things, progress made and problems encountered during the quarter under review, steps taken or proposed to be taken to remedy these problems, and the proposed program of activities and expected progress during the following quarter.	Complied with.

Loan Agreement	Covenants	Status of Compliance
Article IV Section 4.07(c)	Promptly after physical completion of the Project, but in any event not later than 3 months thereafter or a later date agreed for this purpose between the Borrower and ADB, the Borrower will prepare and provide to ADB a report, in such form and in such detail as ADB reasonably requests, on the execution and initial operation of the Project, including its cost, the performance of the Borrower of its obligations under this Loan Agreement, and the accomplishment of the purposes of the loan.	Complied with. Submitted on 6 July 1999.
Article IV Section 4.08	The Borrower will enable ADB's representatives to inspect the Project, the goods financed out of the proceeds of the loan, and any relevant records and documents.	Complied with.
Article IV Section 4.09	The Borrower will ensure that the project facilities are operated, maintained, and repaired in accordance with sound administrative, financial, engineering, environmental, and maintenance and operational practices.	Complied with.
Article IV Section 4.10(a)	It is the mutual intention of the Borrower and ADB that no other external debt owed a creditor other than ADB will have any priority over the loan by way of a lien on the assets of the Borrower. To that end, the Borrower undertakes (i) that, except as ADB will otherwise agrees, if any lien is created on any assets of the Borrower as security for any external debt, such lien will equally and ratably secure the payment of the principal of, and service charge and any other charge on, the loan; and (ii) that the Borrower, in creating or permitting the creation of any such lien, will make express provision to that effect.	Complied with.
Article IV Section 4.10(b)	The provisions of paragraph (a) of this section will not apply to (i) any lien created on property, at the time of purchase thereof, solely as security for payment of the purchase price of such property; or (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.	Complied with.
Article IV Section 4.10(c)	The term "assets of the Borrower" as used in paragraph (a) of this section includes assets of any political subdivision or any agency of the Borrower and assets of any agency of any such political subdivision, including the Bangladesh Bank and any other institution performing the functions of a central bank for the Borrower.	Complied with.
Schedule 3 Para. 9(a)	If the amount of the loan allocated to any category (other than Category VI) appears to be insufficient to finance all agreed expenditures in that category, ADB may, by notice to the Borrower, (i) reallocate to such category, to the extent required to meet the estimated shortfall, amounts of the loan not allocated to another category but, in the opinion of ADB, are not needed to meet other expenditures, and (ii) if such	Complied with.

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	reallocation cannot fully meet the estimated shortfall, reduce the withdrawal percentage applicable to such expenditures so that withdrawals under such category may continue until all expenditures have been made.	
Schedule 3 Para. 9(b)	If the amount of the loan then allocated to any category appears to exceed all agreed expenditures in that category, ADB may, by notice to the Borrower, reallocate such excess amount to any other category (other than Category VI) as required.	Complied with.
Schedule 3 Para. 10	With a view to expediting disbursement of the proceeds of the loan for the Project, the Borrower will establish an imprest account within 30 days of the effective date with the Bangladesh Bank. The establishment, management, and liquidation of the imprest account will be in accordance with ADB's <i>Guidelines on Imprest Fund and Statement of Expenditures Procedures</i> (November 1986) and detailed arrangements agreed upon by the Borrower and ADB. Except as ADB will otherwise require ADB's statement of expenditures procedures may be used for the liquidation of expenditures from the imprest account.	Delayed compliance. Imprest account opened on 16 March 1993, one year after loan effectiveness.
Schedule 3 Para. 11	Withdrawals from the loan account, up to a maximum of SDR501,000 may be permitted to finance eligible expenditures incurred by the Borrower from 6 January 1992 to the effective date for (i) the appointment of a vice-chancellor/project director of BOU/PIU and the core staff of the PIU; (ii) engagement of architectural and engineering firms for project construction design and engineering; and (iii) procurement of furniture, office equipment, and vehicles for the establishment of the PIU.	Complied with.
Schedule 3 Para. 12	Notwithstanding any other provision of this Loan Agreement, ADB may withhold approval of any application for withdrawal of the loan proceeds to finance any item under category VID for the production of instructional materials as described in paragraph 3(iii), Schedule 1 to this Loan Agreement until the finalization of the agreements between BOU, Bangladesh Television, Radio Bangladesh, and MPTT, respectively, as required in paragraph 11 of Schedule 6.	Complied with.
Schedule 6 Para. 1	BOU will be the project Executing Agency and be responsible for project implementation. The secretary of MOE will be responsible for overall supervision of project implementation.	Complied with on October 1992 per BOU Act.
Schedule 6 Para. 2	The Borrower will establish a PIU within BOU for detailed implementation of the Project.	Complied with.
Schedule 6 Para. 3	The PIU will be headed by an ex-officio project director who will be the vice-chancellor of BOU. The project director will be assisted by the following officers to be named for PIU: three directors responsible for planning and development, finance and accounts, and administration and training; procurement officers; architects; and research and monitoring officers; as well as other technical and supporting staff.	Complied with.

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Schedule 6 Para. 4	The selection of PIU officers will be made in accordance with the criteria agreed by the Borrower and ADB.	Complied with.
Schedule 6 Para. 5	PIU officers and staff will, on the basis of their qualifications and performances, become regular BOU staff, and the expenditures therefore will be absorbed in the regular budget of BOU upon completion of project implementation.	Complied with.
Schedule 6 Para. 6	The overall responsibilities of the PIU will include: (i) implementation of the Project in accordance with the policy guidelines issued by MOE through NSC; (ii) development of the project infrastructure at headquarters of BOU and the RRCs; (iii) organization of staff recruitment and staff development programs; (iv) implementation of international and in-country fellowships and training; (v) standardization of operational procedures; (vi) organization of financial and accounting procedures and budget and audit systems; (vii) development of a suitable management information system for the coordinated functioning of the project components; (viii) periodic evaluation of progress of the project components and activities; (ix) reporting to ADB on the progress of project implementation from time to time; and (x) design, development, and institutionalization of an operational management system.	Complied with.
Schedule 6 Para. 7	To ensure efficient project implementation, the National Steering Committee (NSC) established by the Borrower will be responsible for providing policy guidelines and directions, and overseeing the technical and managerial operations of the Project.	Complied with.
Schedule 6 Para. 8	NSC will be expanded, within 3 months of the effective date, to include representatives from MPTT, Ministry of Information, Ministry of Land, Revenue and Housing, Ministry of Social Welfare and Women's Affairs, director-general of Nongovernmental Organization Affairs, the director-general of Primary Education, the director-general of Secondary and Higher Education, the director-general of Mass Education of the Borrower, vice-chancellors of at least two conventional universities, heads of some national institutions, and an appropriate number of representatives from the private sector.	Complied with.
Schedule 6 Para. 9	The Borrower will ensure enactment of an act or an ordinance by the authority of the Borrower to establish BOU. The selection of the vice-chancellor and other core staff of BOU will in accordance with the criteria agreed upon by the Borrower and ADB. The Borrower will, through the act or the ordinance or other measures as appropriate, ensure that BOU has a status as an autonomous body and authorize the vice chancellor of BOU to be the chief executive officer of BOU.	Complied with.

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Schedule 6 Para. 10	The Borrower will ensure MOE and MPTT reach an interministerial agreement, within 3 months of the effective date, on the utilization of television and radio time slots and the facilities for microwave telecommunication links for, as well as other matters related to, broadcasting the educational programs of BOU.	Complied with.
Schedule 6 Para. 11	Based on the above-mentioned interministerial agreement, the Borrower will ensure BOU finalizes agreements with Bangladesh Television, Radio Bangladesh, and MPTT, within 3 months of the effective date, to make arrangements for broadcasting the educational programs of BOU, which will include the telecast or radiocast time; respective responsibilities regarding development programs; and matters regarding staffing strategies, license fee, editorial control, legislation, and additional resource requirements.	Complied with in November 1992.
Schedule 6 Para. 12	The Borrower will ensure, through arrangements satisfactory to ADB, completion of acquisition of, or make otherwise available, all land or the rights in land and rights or privileges required for the RRC campuses to be established under the Project, free of any encumbrances, within 6 months of the effective date. In the event that a site previously agreed upon for the construction of campus for any RRC is or becomes unavailable, or is found to be unsuitable for the Project, the substitution of a new site will be made by agreement between the Borrower and ADB. In the event that any difficulties arise for occupancy rights over sites agreed upon for the project activities, the Borrower will be responsible for ensuring that the problem is resolved satisfactorily.	Complied with for 8 RRCs; delayed compliance for 2 RRCs.
Schedule 6 Para. 13	The Borrower will ensure BOU prepares a project brief and master plan, setting out the core educational aspects and specifications considered in the design of buildings for various types of facilities and furnish it to ADB for comments within 3 months of the effective date.	Complied with
Schedule 6 Para. 14	The Borrower will ensure (i) BOU conducts a comprehensive study during the first two years of project implementation on human resource development needs and thereby identify programs for different clientele groups; undertakes formative and summative evaluations on a continuous basis to ensure the quality of learning materials; and conducts studies on the effectiveness of various programs, methods, and learning materials being used to improve the functioning of the Project, as well as to create new knowledge in the field of distance education; and (ii) the PIU undertakes mapping surveys with the help of the thana education officers to identify potential qualified persons to be involved in the activities of the LSCs, and prepares a comprehensive project monitoring master plan to collect and update quantitative and qualitative base line data and submit it for ADB approval within 6 months of the effective date.	

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Schedule 6 Para. 15	The Borrower will inform ADB from time to time of the design and progress in implementation of the research and evaluation studies.	Complied with.
Schedule 6 Para. 16	The Borrower will ensure BOU undertakes innovative activities for the preparation of appropriate programs on a pilot project basis in different areas, including environmental education, women's welfare, rural skills education for self-improvement and poverty reduction, health and sanitation education, family planning and population education, community participation in designing and preparation of relevant course materials, and management of the LSCs. This will include preparation of multimedia packages and strategies to increase enrollment in BOU courses and women's participation. The proposed programs prepared under the innovative activities will be appraised by the PIU and submitted for ADB approval before their implementation.	Complied with.
Schedule 6 Para. 17	A midterm review of all aspects of the Project will be carried out by the Borrower and ADB at the end of the third year of project implementation, based on the results of the human resource development need studies and project benefit monitoring and evaluation (PBME) studies.	Complied with. Midterm review fielded in October 1995.
Schedule 6 Para. 18 (a)	Prior to the commencement of international and in-country training, the PIU will prepare and submit to ADB for its review and approval, a program for implementation of the fellowships and training activities, which will include the following arrangements: number of trainees, courses to be pursued or expertise to be acquired, proposed international or domestic training institutions, duration of each training course or study tour, cost estimates, criteria and procedures for selecting trainees and bonding arrangements between the Borrower, BOU and trainees to ensure that after the completion of the international or in-country training, the trainees will return to work for BOU for at least five years in the areas in which they would have been trained.	Complied with. Master training plan submitted to ADB in December 1998.
Schedule 6 Para. 18 (b)	The Borrower will ensure that except as ADB may otherwise agree on the basis of consultation between the Borrower and ADB, any person who has been trained on the fellowship or training programs of the Project will not be transferred from BOU before the completion of the required years of service for BOU as per the bonding arrangements.	Complied with.
Schedule 6 Para. 19	The PIU will set up and implement, within 12 months of the effective date, a maintenance program for the project facilities and equipment for the technical staff of various BOU schools and maintenance staff of BOU divisions. This will include: (i) the organization of training programs in building management to optimize use of space; (ii) the maintenance of buildings, equipment, and materials; and (iii) equipment repair.	Complied with.

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Schedule 6 Para. 20	Except as the Borrower and ADB may otherwise agree, upon the completion of project implementation, BOU will be able to offer educational programs in different areas of studies including certificate courses in mass education, teacher planning, electrical wiring and secondary school; diploma courses in language, agriculture extension and computer application; and degree courses in education and nursing.	Complied with.
Schedule 6 Para. 21	Except as ADB and the Borrower may otherwise agree, the Borrower will ensure BOU commences, in the first year of project implementation, bachelor of education program, and some need-based nonformal courses followed by the indicative courses proposed in paragraph 20 and other courses as the Borrower may determine on a priority basis.	Complied with under BOU Act 1992.
Schedule 6 Para. 22	The Borrower will ensure BOU (i) prepares appropriate policy guidelines and internal rules regarding curriculum development, examination, equivalence, certification, and academic control for its programs in consultation with appropriate agencies of the Borrower including the National Curriculum and Textbook Board, Secondary and Higher Secondary Boards of Examination, conventional universities, Bangladesh Nursing Council, and Bangladesh Technical Education Board; and (ii) establish mechanisms for implementation of the guidelines and the internal rules within 12 months of the effective date.	Complied with.
Schedule 6 Para. 23	The Borrower will ensure that MOE, University Grants Commission, and BOU take the necessary measures, satisfactory to ADB, to ensure that degrees, diplomas, and certificates of BOU will be recognized as equivalent to those of other conventional educational institutions.	Not complied.
Schedule 6 Para. 24	The Borrower will ensure that (i) the PIU undertakes PBME studies to ensure that the project facilities are managed efficiently and their benefits are maximized; and (ii) BOU conducts an external PBME after the Project is completed in accordance with a schedule and terms of reference to be developed in consultation with ADB.	Complied with.
Schedule 6 Para. 25	The Borrower will ensure that BOU is allowed to retain all earnings generated from its educational programs through fees and other charges for financing education program expansion and offsetting any adverse impacts on BOU's cash flow after the end of project implementation.	Complied with.
Schedule 6 Para. 26	The Borrower will provide to ADB, prior to 31 May of each year during project implementation, the draft financing plan for the Project for the following fiscal year.	Complied with.

LOAN DISBURSEMENTS
(\$ million)

Year	Quarter	Actual Disbursement	Actual Cumulative	Cumulative Percentage of Actual Disbursement
1992	I	-	-	
	II	-	-	
	III	-	-	
	IV	0	0	0
1993	I	1.923	1.923	5.87
	II	0.119	2.042	6.23
	III	0.010	2.052	6.26
	IV	0.000	2.052	6.26
1994	I	0.027	2.079	6.34
	II	0.035	2.114	6.45
	III	0.080	2.194	6.70
	IV	0.016	2.210	6.74
1995	I	2.042	4.252	12.98
	II	0.433	4.685	14.30
	III	0.927	5.612	17.13
	IV	1.605	7.217	22.02
1996	I	0.11	7.327	22.36
	II	0.026	7.353	22.44
	III	1.391	8.744	26.68
	IV	2.318	11.062	33.76
1997	I	0.51	11.572	35.31
	II	0.821	12.393	37.82
	III	1.547	13.940	42.54
	IV	7.371	21.311	65.03
1998	I	1.055	22.366	68.25
	II	0.931	23.297	71.09
	III	1.902	25.199	76.90
	IV	1.442	26.641	81.30
1999	I	1.413	28.054	85.61
	II	4.430	32.484	99.13
	III	0.286	32.770	100.00
Total		32.770		

Source: ADB.