



PROJECT DATA SHEET

Project Data Sheets (PDS) contain summary information on the project or program: Because the PDS is a work in progress, some information may not be included in its initial version but will be added as it becomes available. Information about proposed projects is tentative and indicative.

PDS Creation Date –

PDS Updated as of 21 Apr 2013

Project Name Second Urban Governance and Infrastructure Improvement (Sector) Project

Country Bangladesh

Project/Program Number 40559-013

Status Proposed

Geographical Location Approximately 45 pourashavas

In preparing any country program or strategy, financing any project, or by making any designation of, or reference to, a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

Sector and/or Subsector Classification Multisector
/ Multisector

Thematic Classification Capacity development
Gender equity
Governance

Gender Mainstreaming Categories Gender equity as a theme

FINANCING

Type/Modality of Assistance	Approval Number	Source of Funding	Approved Amount (US\$ thousand)
Loan	2462	Asian Development Fund	87,000
–	–	Counterpart	700
TOTAL			US\$ 87,700

SAFEGUARD CATEGORIES

For more information about the safeguard categories, please see <http://www.adb.org/site/safeguards/safeguard-categories>

Environment

B

Involuntary Resettlement	B
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Indigenous Peoples	B
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SUMMARY OF ENVIRONMENTAL AND SOCIAL ISSUES

Environmental Aspects

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Involuntary Resettlement

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Indigenous Peoples

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STAKEHOLDER COMMUNICATION, PARTICIPATION, AND CONSULTATION

During Project Design

—

During Project Implementation

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DESCRIPTION

The Second Urban Governance and Infrastructure Improvement (Sector) Project (the Project) supports the improvement of urban governance and of infrastructure and service delivery in pourashavas (secondary towns). The Project adopts the performance-based allocation of investment funds as an incentive mechanism for governance reform. Performance criteria are defined in six key areas of urban governance: (i) citizen awareness and participation, (ii) urban planning, (iii) womens participation, (iv) integration of the urban poor, (v) financial accountability and sustainability, and (vi) administrative transparency. Investment funds will be utilized to improve municipal transport, drainage, solid waste management, water supply, sanitation, municipal facilities, and basic services in slums. The project design is based on the lessons from the ongoing Urban Governance and Infrastructure Improvement (Sector) Project (UGIIP-1).

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

Unplanned and rapid urbanization creates large unmet demand for urban infrastructure and services. Pourashavas have not managed to meet this challenge because of weak governance, limited financial and human resources, and a lack of proper planning. The Asian Development Bank (ADB) has supported urban development with a series of projects. The most important lesson, in particular from the ongoing UGIIP-1, is that the improvement of urban infrastructure and service delivery can be achieved more effectively by linking it with governance reforms and creating a proper incentive mechanism. The performancebased allocation of investment funds creates a strong incentive for pourashavas to reform their governance, and the improved governance ensures the effectiveness and sustainability of the capital investments.

DEVELOPMENT IMPACT

Project Impact: The Project is expected to enhance sustainable human development, economic growth and poverty reduction by enhancing municipal governance and strengthening capacity to deliver municipal services and improving phsycial infrastructure and urban services in 35 secondary towns in Bangladesh.

PROJECT OUTCOME

The expected outcomes will be (i) enhanced capacity of Pourashavas to implement, operate, manage and maintain basic urban services; (ii) increased accountability of Pourashavas towards their citizens; and (iii) improved physical infrastructure and urban services.

■ OUTPUTS AND IMPLEMENTATION PROGRESS

Description of Project Outputs	Status of Implementation Progress (Outputs, Activities, and Issues)
<p>Component A: Urban Infrastructure and Service Delivery- Developed infrastructure and improved service delivery</p> <p>Component B: Governance Improvement and Capacity Development Enhanced citizen awareness and participation Improved urban planning Enhanced womens participation Enhanced participation of the urban poor Improved accountability and sustainability of pourashava finance Improved administrative transparency and efficiency</p> <p>Component C: Project Management and Implementation Support Effective and operational project management system</p>	–

■ BUSINESS OPPORTUNITIES

Date of First Listing	28 Feb 2011
Consulting Services	Consulting services are being provided to support project implementation and strengthen the institutional capacity of the pourashavas and LGED. Major packages are package 1: governance improvement and capacity development, and package 2: management, design, and supervision. Consultants have been selected and engaged in accordance with ADBs Guidelines on the Use of Consultants (2007, as amended from time to time), and the Governments Public Procurement Rules (2008). The firms has been selected using the quality- and cost-based selection method.
Procurement	Procurement of goods and services under the Project are being carried out in accordance with the ADBs Procurement Guidelines (2007, as amended from time to time), and the Governments Public Procurement Rules (2008). National competitive bidding procedures are being followed for works contracted for less than \$2.0 million and will be the major mode for civil works contracts, as the subprojects are small. International Competitive Bidding procedures are being followed for procurement of equipment and materials when the estimated cost is more than \$500,000 equivalent.

TIMETABLE

Concept Clearance	08 Mar 2007
Fact-finding	09 Mar 2007 to 21 Mar 2007
Management Review Meeting	19 Aug 2007
Approval	08 Dec 2009
Last Review Mission	—

MILESTONES

Approval No.	Approval	Signing	Effectivity	Closing		
				Original	Revised	Actual
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STATUS OF COVENANTS

Covenants are categorized under the following categories—audited accounts, safeguards, social, sector, financial, economic, and others. Covenant compliance is rated by category by applying the following criteria: (i) Satisfactory—all covenants in the category are being complied with, with a maximum of one exception allowed, (ii) Partly Satisfactory—a maximum of two covenants in the category are not being complied with, (iii) Unsatisfactory—three or more covenants in the category are not being complied with. As per the 2011 Public Communications Policy, covenant compliance ratings for Project Financial Statements apply only to projects whose invitation for negotiation falls after 2 April 2012.

Approval No.	Category						
	Sector	Social	Financial	Economic	Others	Safe	Project Financial Statements
Loan 2462	Satisfactory	Satisfactory	Satisfactory	—	Satisfactory	Satisfactory	—

CONTACTS AND UPDATE DETAILS

Responsible ADB Officer	Masayuki Tachiiri (mtachiiri@adb.org)
Responsible ADB Department	South Asia Department
Responsible ADB Division	Bangladesh Resident Mission
Executing Agencies	Local Government Engineering Department

LINKS

Project Website	http://www.adb.org/projects/40559-013/main
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