



Country Operations Business Plan

August 2007

Bangladesh
2008–2010

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 5 August 2007)

Currency Unit	–	taka (Tk)
Tk1.00	=	\$0.015
\$1.00	=	Tk68.5

ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
BRM	–	Bangladesh Resident Mission
COBP	–	country operations business plan
CSP	–	country strategy and program
FY	–	fiscal year
GDP	–	gross domestic product
OCR	–	ordinary capital resources
PPTA	–	project preparatory technical assistance
SARD	–	South Asia Department
SME	–	small and medium-sized enterprise
TA	–	technical assistance

NOTES

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

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I. CONSISTENCY OF THE BUSINESS PLAN WITH THE CURRENT COUNTRY PARTNERSHIP STRATEGY

1. The proposed indicative rolling country operations business plan for 2008–2010 is fully consistent with the strategies and operational priorities set out in the current country strategy and program (CSP) for Bangladesh.¹ The proposed operations take into account potential risks identified in the CSP, which include the preparations for the general elections (scheduled by end-December 2008) and implementation capacity. As identified in the CSP, vulnerability to floods and other natural disasters is also a risk. The Asian Development Bank (ADB) will continue to mainstream flood and disaster mitigation concerns into its operations. In response to the floods in August 2007, the Government has taken expeditious action for relief and post-flood rehabilitation and for containing flood-induced inflation. Consistent with the CSP, the ADB will continue to contribute in supporting policy and institutional reforms in energy, transport, education, and integrated urban infrastructure including urban health, urban water supply, and urban transport sectors. The caretaker Government has taken an extensive development agenda to address critical governance and infrastructure constraints to rapid economic growth and faster poverty reduction. It seeks to address power shortages through both independent power producers and subregional cooperation in energy. In transport, the focus is on transport connectivity, and privatization of port operations at both the Chittagong and the New Mooring container terminals. At the request of the caretaker Government, ADB will assist to address such emerging developmental priorities by drawing on its lending and nonlending instruments, including pilot financing instruments and modalities such as nonrecourse lending, for sectors/projects that are financially viable and have attracted strong private sector interest.

2. ADB's core governance support, including programs aimed at combating corruption and improving access to justice, will be enhanced to help the caretaker Government carry out major governance reforms. The actions include increased support for effective functioning of the Anti-Corruption Commission; developing a national integrity strategy and corruption prevention measures at line ministries/agencies; improving access to justice; and building governance management capacity in cooperation with other development partners. ADB will continue to play a key role in fostering incremental improvements in sector governance, building on in-depth understanding and long-standing support in key sectors including education, energy, and transport. To help prepare for progressive devolution of responsibilities to local governments and communities, ADB will intensify its assistance in improving local governance by building local government capacities in planning and delivering local services through partnerships with the private sector and civil society, through urban governance and infrastructure development. Special attention will be given to promoting public-private partnerships, enhancing subregional cooperation, and improving portfolio performance. Under the new Country Partnership Strategy guidelines, a midterm review of the CSP will be undertaken in 2008 (in the third year of CSP implementation).

II. INDICATIVE LENDING AND NONLENDING PROGRAMS

3. In 2008, the Asian Development Fund (ADF) allocation for Bangladesh is about \$256 million. For 2009–2010, ADF amount of \$680 million or \$340 million a year has been taken into consideration in the pipeline. The ADF lending program for 2008 and 2009–2010 is tentatively set at \$330 million and \$400 million. The ADF allocations are subject to the annual performance-based allocation exercise and, for 2009–2010, it is also subject to the overall ADF resource envelope, based on the outcome of the forthcoming ADF X negotiations.

¹ ADB. 2005. *Country Strategy and Program 2006–2010: Bangladesh*. Manila.

4. The indicative annual average ordinary capital resources (OCR) lending is set at \$410 million during 2008–2010. Considering the country's absorptive capacity, OCR lending will be limited to large and revenue-generating infrastructure project financing, which directly contributes to growth and competitiveness. The risk of external debt distress for Bangladesh is low, according to a recent World Bank-International Monetary Fund (IMF) debt sustainability analysis.² The country's debt burden indicators, with external debt-to-GDP ratio at 30% and debt service ratio of 4% in fiscal year (FY) 2006, do not breach the relevant policy-dependent thresholds under various scenarios. The proposed annual technical assistance (TA) program is about \$5 million for 2008–2010.

III. SUMMARY OF CHANGES TO LENDING AND NONLENDING PROGRAMS

5. Fully consistent with the CSP strategies and operational priorities, and addressing emerging priorities of the caretaker Government, the lending and nonlending programs for 2008–2010 have been realigned and prioritized considering the (i) progress in sector reforms and project preparation, (ii) comparative strength in terms of ADB's long involvement in the sectors, (iii) current portfolio performance, and (iv) complementarity with other development partners.

6. The Skills Development Project is deferred from 2007 to 2008 to accommodate an enhanced allocation for the 2007 Good Governance Sector Development Program. Command Area Development II is deferred from 2008 to 2010 to allow the Bangladesh Water Development Board to make further progress in institutional capacity improvement and sector reforms with extensive ongoing assistance from ADB and World Bank. The Primary Education Sector Development Program is deferred from 2008 to 2009, because of the postponement of the midterm review of the ongoing Second Primary Education Development Program, which will provide important inputs for the preparation of the follow-up assistance.

7. The Sustainable Rural Infrastructure Improvement project preparatory TA (PPTA) is deferred to 2009 since the new Second Rural Infrastructure Improvement Project has not started yet and an independent impact assessment of ADB's extensive support to the rural infrastructure development program is needed before proceeding with further assistance. Agribusiness Development II (PPTA) is renamed Crop Diversification II (PPTA) and brought forward from 2009. The Port Sector Development Project (PPTA) is replaced by the Priority Roads Sector Development Program (PPTA). Three institutional development TAs (IDTAs), namely, Strengthening Capacity of Bangladesh Bureau of Statistics, Capacity Building for Results-Based Management, and Port and Logistics Efficiency Improvement, are included in the 2009 program. Strengthening Aid Coordination Capacity II (IDTA) is removed from the 2009 program, considering the substantial support being provided by other development partners.

IV. INDICATIVE INTERNAL RESOURCE REQUIREMENTS

8. On a per-year basis, the processing of the lending and nonlending programs is expected to require about 720 person-weeks. In addition, operational administration work is estimated to require 590 person-weeks per year. The CSP midterm review will be a major undertaking and will need inputs from several staff consultants. Developing fewer but larger projects should also help ease constraints on limited TA resources.

² IMF 2006. *Bangladesh: Fifth Review Under the Three-Year Arrangement Under the Poverty Reduction and Growth Facility*. Washington, DC.

V. RESULTS-BASED MONITORING

9. Bangladesh showed good progress in key CSP results areas in less than 2 years of its implementation. Gross domestic product (GDP) growth continues to show an uptrend with average annual growth reaching over 6.5% during FY2006 and FY2007. Recent data show poverty is declining by 1.8 percentage points a year compared with only 1 percentage point a year in the 1990s. Good progress has been made in education and health indicators. In governance, the Anti-Corruption Commission is now functioning, and corruption prosecution has also significantly improved. Implementing the wide-ranging reforms in key sectors including education, energy, and transport, which are critical for realizing longer term results, remains a major challenge to the Government and needs increased support from development partners.

10. In assessing implementation of the results-based CSP at project and sector levels, the 2007 Country Portfolio Review Mission noted significant progress in portfolio performance. Both the total contract awards and disbursement increased during 2006: contract awards ratio (with program loans) to 23.4% from 21.3% in 2005; disbursement ratio (with program loans) to 16.0% from 13.3% in 2005. The overall “project at risk” ratio declined from 11.1% in December 2006 to 3.2% as of April 2007, and is expected to decline to zero with the closing of the loan account for one completed project.³ Cancellation of loan savings from the ongoing portfolio will be identified throughout the year, to further improve portfolio performance and development effectiveness.

11. CSP monitoring is focused on results including providing specialist assistance to the Government in adopting managing for development results as an explicit public sector management practice. Implementation of the results-based CSP jointly with the strategy partners (Department for International Development of the United Kingdom, Government of Japan, and World Bank) has enhanced coordination among the partners and effectiveness of policy dialogue with the Government in key sectors. Under the results-based CSP, joint partnership collaboration has enabled ADB to strengthen engagement in sectors (such as railways, Dhaka/Chittagong water supply and sanitation, and power) where reforms are difficult but are important to economic growth and poverty reduction. Progress in the country partnership results framework in the CSP, which shows intended outcomes and impacts specifically of ADB’s assistance programs, was assessed to reveal improvement in several areas. Progress under the joint results framework will be updated during the midterm review of the CSP in 2008, together with the strategy partners.

VI. COUNTRY PARTNERSHIP STRATEGY RESULTS FRAMEWORK

12. There have been no changes to the country partnership strategy results framework contained in the country partnership strategy (2006–2010). Achievements under the framework are being closely monitored jointly with the strategy partners, under the Government’s leadership.

³ ADB. 1998. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan and Technical Assistance Grant to the People’s Republic of Bangladesh for the Sundarbans Biodiversity Conservation Project*. Manila (Loan 1643-BAN [SF], approved on 27 November, for \$37 million).

Table 1: Indicative Assistance Pipeline for Lending Products, 2008–2010

Sector Project/Program Name	Targeting Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				
						ADB			Gov't	Co- financing
						OCR	ADF ⁴	Total		
2008 Firm Loans										
Education										
1. Skills Development (Technical and Vocational Education)	GI	ISD/GAD	SANS	2006	tbd	0.0	50.0	50.0	tbd	tbd
Subtotal					tbd	0.0	50.0	50.0	tbd	tbd
Energy										
1. Gas Sector Development Program	GI	ECG/GOV	SAEN	2007	tbd	250.0	60.0	310.0	tbd	tbd
Subtotal					tbd	250.0	60.0	310.0	tbd	tbd
Transport and Communications										
1. Development of Transport Corridor for Trade Facilitation	GI	ECG/REG	SATC	2006	tbd	100.0	50.0	150.0	tbd	tbd
Subtotal					tbd	100.0	50.0	150.0	tbd	tbd
Multisector										
1. Urban Governance and Infrastructure SDP	TI	ENV/ISD GOV	SAUD	2006	tbd	0.0	87.0	87.0	tbd	tbd
2. Public-Private Infrastructure Development Facility	GI	ECG/PSD	SAGF	2007	tbd	102.0	83.0	185.0	tbd	tbd
Subtotal					tbd	102.0	170.0	272.0	tbd	tbd
Total						452.0	330.0	782.0	tbd	tbd
2009 Firm Loans										
Agriculture and Natural Resources										
1. Participatory Small-Scale Water Resources Development	TI	ECG/GOV	SANS	2008	tbd	0.0	50.0	50.0	tbd	tbd
Subtotal					tbd	0.0	50.0	50.0	tbd	tbd
Education										
1. Primary Education Sector Development Program	TI	GAD/ISD	SANS	2008	tbd	0.0	120.0	120.0	tbd	tbd
Subtotal					tbd	0.0	120.0	120.0	tbd	tbd
Energy										
1. Improving DESCO Distribution System	GI	ECG/GOV	SAEN	—	tbd	50.0	0.0	50.0	tbd	tbd
Subtotal					tbd	50.0	0.0	50.0	tbd	tbd
Health, Nutrition, and Social Protection										
1. Urban Primary Health Care Sector Development Program	TI	ECG/GAD	SAUD	2007	tbd	0.0	120.0	120.0	tbd	tbd
Subtotal					tbd	0.0	120.0	120.0	tbd	tbd

⁴ The tentative program is subject to PBA exercise and for 2009-2010 subject to the overall ADF resource envelope, based on outcome of ADF X negotiations.

Sector Project/Program Name	Targeting Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				
						ADB		Total	Gov't	Co- financing
						OCR	ADF ⁴			
Industry and Trade										
1. SME Sector Development Program II	GI	ECG/GOV PSD/GAD	SANS	2006	tbd	0.0	60.0	60.0	33.0	tbd
Subtotal					tbd	0.0	60.0	60.0	33.0	tbd
Transport and Communications										
1. Padma Multipurpose Bridge	GI	ECG/REG	SATC	2005	1,300.0	300.0	50.0	350.0	tbd	tbd
Subtotal					tbd	300.0	50.0	350.0	tbd	tbd
Total					tbd	350.0	400.0	750.0	tbd	tbd
2010 Firm Loans										
Agriculture and Natural Resources										
1. Command Area Development II	TI	ECG/GAD	SANS	2005	tbd	0.0	50.0	50.0	tbd	tbd
2. Crop Diversification II	TI	ECG/GOV	SANS	2008	tbd	0.0	40.0	40.0	tbd	tbd
3. Sustainable Rural Infrastructure Improvement	TI	GAD/ISD	SANS	2009	tbd	0.0	90.0	90.0	tbd	tbd
Subtotal					tbd	0.0	180.0	180.0	tbd	tbd
Energy										
1. Sustainable Power Sector Development Program II	GI	ECG/GOV	SAEN	—	tbd	200.0	100.0	300.0	tbd	tbd
Subtotal					tbd	200.0	100.0	300.0	tbd	tbd
Law, Economic Management, and Public Policy										
1. Governance Management Program	TI	ENV/ISD /GOV	SAGF	2008	tbd	0.0	50.0	50.0	tbd	tbd
Subtotal					tbd	0.0	50.0	50.0	tbd	tbd
Transport and Communications										
1. Priority Road Project	GI	ECG/REG	SATC	2007	tbd	65.0	35.0	100.0	tbd	tbd
2. Transport Sector Preparatory Facility TA loan	GI	ECG/REG	SATC	2007	tbd	0.0	15.0	15.0	tbd	tbd
Subtotal					tbd	65.0	50.0	115.0	tbd	tbd
Multisector										
1. Megacities Development Project	TI	ENV/ISD GOV	SAUD	2006	tbd	150.0	20.0	170.0	tbd	tbd
Subtotal					tbd	150.0	20.0	170.0	tbd	tbd
Total					tbd	415.0	400.0	815.0	tbd	tbd

ADB = Asian Development Bank; ADF = Asian Development Fund; DESCO = Dhaka Electric Supply Company Ltd.; ECG = sustainable economic growth; ENV = environmental sustainability; GAD = gender and development; GI = general intervention; GOV = governance; Gov't = government; ISD = inclusive social development; MFF = multitranchise financing facility; OCR = ordinary capital resources; PPP = public-private partnership; PSD = private sector development; REG = regional cooperation; SANS = South Asia Agriculture, Natural Resources, and Social Services Division; SAEN = South Asia Energy Division; SAGF = South Asia Governance, Finance, and Trade Division; SAUD = South Asia Urban Development Division; SATC = South Asia Transport and Communications Division; SME = small and medium-sized enterprise; TA = technical assistance; tbd = to be determined; TI = targeted intervention.

Source: ADB estimates.

Table 2: Indicative Assistance Pipeline for Nonlending Products and Services, 2008–2010

Sector Assistance Name	Responsible Division	Assistance Type	Source of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2008							
Agriculture and Natural Resources							
1. Crop Diversification II	SANS	PP		500.0		0.0	500.0
Subtotal				500.0		0.0	500.0
Education							
1. Primary Education Sector Development Program	SANS	PP		600.0		0.0	600.0
2. Support for Capacity Building in Madrasah Schools	SANS	ID	TASF	700.0		0.0	700.0
Subtotal				1,300.0		0.0	1,300.0
Energy							
1. Sustainable Power Sector Development Program II	SAEN	PP		800.0		0.0	800.0
Subtotal				800.0		0.0	800.0
Industry and Trade							
1. SME Sector Development Program II	SAGF	PP		600.0		0.0	600.0
Subtotal				600.0		0.0	600.0
Transport and Communications							
1. Priority Road Project	SATC	PP		800.0		0.0	800.0
Subtotal				800.0		0.0	800.0
Multisector							
1. Capacity Building for Public-Private Infrastructure Development Facility	SAGF	ID	TASF	500.0		0.0	500.0
2. Megacities Development Project	SAUD	PP		600.0		0.0	600.0
Subtotal				1,100.0			1,100.0
Total				5,100.0		0.0	5,100.0
2009							
Agriculture and Natural Resources							
1. Sustainable Rural Infrastructure Improvement	SANS	PP		500.0		0.0	500.0
2. Support for PPP in Command Area Development	SANS	ID	TASF	500.0		0.0	500.0
Subtotal				1,000.0		0.0	1,000.0
Education							
1. Secondary Education Sector Development Program II	SANS	PP		500.0		0.0	500.0
Subtotal				500.0		0.0	500.0
Law, Economic Management, and Public Policy							
1. Governance Management Program	SAGF	PP		600.0		0.0	600.0

Sector	Assistance Name	Responsible Division	Assistance Type	Source of Funding				
				ADB		Others		Total (\$'000)
				Source	Amount (\$'000)	Source	Amount (\$'000)	
2009	2. Strengthening Statistical Capacity of Bangladesh Bureau of Statistics	SAGF	ID	TASF	600.0	0.0	600.0	
	3. Capacity Building for Results-Based Management	BRM	ID	TASF	1,000.0	0.0	1,000.0	
	Subtotal				2,200.0	0.0	2,200.0	
	Transport and Communications							
	1. Port and Logistics Efficiency Improvement	SATC	ID	TASF	800.0	0.0	800.0	
	Subtotal				800.0	0.0	800.0	
	Total							
					4,500.0	0.0	4,500.0	
	2010							
	Energy							
1. Gas Sector Development Program II	SAEN	PP		500.0	0.0	500.0		
2. Support for Private-Public Partnership for Energy Sector	SAEN	ID	TASF	500.0	0.0	500.0		
Subtotal				1,000.0	0.0	1,000.0		
Law, Economic Management and Public Policy								
1. Support for Good Governance	SAGF	ID	TASF	600.0	0.0	600.0		
Subtotal				600.0	0.0	600.0		
Transport and Communications								
1. Development of Transport Corridors for Trade Facilitation II	SATC	PP		900.0	0.0	900.0		
Subtotal				900.0	0.0	900.0		
Multisector								
1. Public-Private Infrastructure Development Facility II	SAGF	PP		700.0	0.0	700.0		
2. Dhaka Water Supply Sector Development Program II	SAUD	PP		800.0	0.0	800.0		
3. Support for Integrated Urban Infrastructure Program	SAUD	ID	TASF	500.0	0.0	500.0		
4. Urban Governance and Infrastructure Sector Development Project	SAUD	PP		700.0	0.0	700.0		
Subtotal				2,700.0	0.0	2,700.0		
Total								
				5,200.0	0.0	5,200.0		

ADB = Asian Development Bank; BRM = Bangladesh Resident Mission; ID = advisory and institutional development technical assistance; PPP = public-private partnership; SANS = South Asia Agriculture, Natural Resources, and Social Services Division; SAEN = South Asia Energy Division; SAGF = South Asia Governance, Finance, and Trade Division; SAUD = South Asia Urban Development Division; SATC = South Asia Transport and Communications Division; SME = small and medium-sized enterprise; TASF = Technical Assistance Special Fund; tbd = to be determined.
Source: ADB estimates.

Table 3: Summary Information on Proposed Indicative Lending Products for 2008

Project Name	Description
Skills Development (Technical and Vocational Education)	<p>Goal Enhance the capacity of the technical and vocational education and training (TVET) system to provide demand-driven and quality education and training programs, particularly to the poor and the marginalized, while promoting growth and productivity of industries by supplying trained manpower.</p> <p>Major Components The proposed project design has three components: (i) enhancing the relevance of TVET programs to the employment markets, (ii) improving capacity for and quality and efficiency of TVET delivery, and (iii) increasing equitable access to quality TVET programs.</p> <p>Expected Outputs and Outcomes The proposed project will strengthen the capacity of existing public and private TVET institutions, including nongovernment organizations, in terms of the relevance and quality of training programs and equitable access to them, institutional management, and linkage with the employment markets. The proposed project's outcomes would be (i) enhanced relevance of TVET programs, (ii) improved capacity and quality and efficiency of TVET delivery, and (iii) increased equitable access to good quality TVET programs.</p>
Gas Sector Development Program	<p>Goal Improve GDP growth and foster broad-based development across the country.</p> <p>Major Components Muchai-Ashuganj Transmission Pipeline, Titas-Bakhrabad-Chittagong Transmission Pipeline, Dhanua-Elenga and Jamuna West-Nalka Transmission Pipeline, Compressors at Muchai, Workover of Gas Wells, Gas Distribution to Kushtia, Jessore and Khulna towns and Metering and Regulating Stations</p> <p>Expected Outputs and Outcomes The project is expected to improve and expand the gas transmission and distribution network in project areas, ensure sustainability of gas production, and enhance use of natural gas by power plants, industries, and other consumers.</p>
Development of Transport Corridor for Trade Facilitation	<p>Goal Accelerate economic development and reduce poverty through increased employment; and promote regional connectivity.</p> <p>Major Components Major components include (i) infrastructure improvements along the identified transport corridors, including physical improvements in roads, transport infrastructure links, land ports, and gateways; and (ii) improvement in procedures for cross-border movement of goods.</p> <p>Expected Outputs and Outcomes These are (i) increase in trade and volume of goods traffic between Bangladesh and other countries in the region; (ii) reduction in travel time</p>

Project Name	Description
	and cost of goods traffic between Bangladesh and neighboring countries; (iii) reduction in time needed to complete cross-border formalities for movement of goods between Bangladesh and its neighbors; and (iv) increase in direct employment, reduction in poverty, and increase in economic activity.
Urban Governance and Infrastructure Sector Development Program	<p>Goal Promote human development and good governance in secondary towns for sound and balanced urban development.</p> <p>Major Components Urban infrastructure improvement (urban roads and bridges, drainage, sanitation, solid waste management, water supply, municipal facilities, slum improvement, etc.)</p> <p>Urban governance improvement (citizen awareness, women's participation, integration of urban poor, financial accountability and sustainability, and administrative transparency)</p> <p>Capacity building and implementation assistance (capacity building of pourashava (municipality) staff and implementation assistance)</p> <p>Expected Outputs and Outcomes Improved welfare of municipal residents including the urban poor, and enhanced quality of the urban environment in 25–35 secondary towns or pourashavas.</p> <p>Enhanced accountability in pourashava management and strengthened capabilities of urban local government institutions.</p>
Public-Private Infrastructure Development Facility	<p>Goal The project will fill infrastructure financing gaps, encourage private sector investment, promote public-private partnership in infrastructure, and play a catalytic role in attracting commercial funding for infrastructure.</p> <p>Major Components The proposed facility will provide long-term debt financing for private sector-sponsored infrastructure projects. The eligible subsectors include power generation, telecommunications, toll roads and bridges, ports, gas and gas-related infrastructure, water supply, information technology, renewable energy, and other projects.</p> <p>Expected Outputs and Outcomes Economic development will be facilitated through larger private infrastructure investment, contributing to reduce poverty. Foreign capital inflow will be encouraged for improving infrastructure and contributing to reducing the cost of doing business. Bangladesh will be able to better utilize its potential to become a subregional transport hub, contributing to regional integration.</p>

GDP = gross domestic product, NGOs = non-government organizations, TVET = technical and vocational education and training.

Source: Asian Development Bank.

Table 4: Summary Information on Proposed Indicative Nonlending Products and Services for 2008

Project Name	Description
Crop Diversification II	<p>Goal Prepare a project aimed at increasing farm productivity and farmers' incomes by creating an enabling environment to facilitate private sector-led agribusiness development, particularly value chain development.</p> <p>Major Components Examine, identify, and assess interventions for crop diversification including promoting reforms to increase efficiency of the agriculture sector; supporting public-private-NGO partnership; entrepreneurship/business development for value addition, processing, and marketing; and ensuring quality standards of the food products.</p> <p>Expected Outputs and Outcomes Feasibility study and design of interventions for the project</p>
Primary Education Sector Development Program	<p>Goal Prepare a program aimed at reducing poverty through universal primary education and sustainable socioeconomic development and equity as envisaged in the MDGs.</p> <p>Major Components Examine, identify, and assess interventions for the program with a focus on (i) improving the quality of primary education through organizational development and capacity building, (ii) quality improvement in schools and classrooms, (iii) quality improvement through infrastructure development, and (iv) improving and supporting equitable access to quality schooling.</p> <p>Expected Outputs and Outcomes Feasibility study and design of interventions for the program</p>
Support for Capacity Building in Madrasah Schools	<p>Goal Improve the quality of madrasah secondary education.</p> <p>Major Components Build capacity through seminars, study tours, local training, international training, and policy research.</p> <p>Expected Outputs and Outcomes Increased government capacity to guide and implement the <i>aliah</i> (secondary level) madrasah toward improved quality and education modernization</p> <p>Improved capacity at Bangladesh Madrasah Education Board, Madrasah Teacher Training Institute, Ministry of Education, and Directorate of Secondary and Higher Education to develop, adapt, and implement reforms related to education quality improvement.</p>
Sustainable Power Sector Development Program II	<p>Goal Prepare a program with focus on supporting power generation, transmission, and distribution in urban areas and stabilizing sector entities</p>

Project Name	Description
	<p>to improve governance through regulatory oversight, and to introduce competition and discipline.</p> <p>Major Components Examine, identify, and assess interventions for the program including for investment in power stations, transmission lines, and substations to supply energy to new customers and to improve quality of supply to existing customers.</p> <p>Expected Outputs and Outcomes Feasibility study and design of interventions for the program</p>
SME Sector Development Program II	<p>Goal Prepare a program to help the SME sector attain its full potential for contributing to economic expansion and poverty reduction.</p> <p>Major Components Examine, identify, and assess interventions for the program with focus on implementing the national policy for SME development; strengthening the newly established SME Foundation charged with strategic and policy development in the SME sector; addressing specific regulatory, information, market access, and technology bottlenecks to broaden SME operations; and supporting reforms and capacity building for the financial intermediaries relevant to SME development.</p> <p>Expected Outputs and Outcomes Feasibility study and design of interventions for the program</p>
Priority Road Project	<p>Goal Identify roads to be improved, with highest priority for maximizing the benefits to Bangladesh and for facilitating trade. Study the project's technical, financial, economic, social, and environmental viability.</p> <p>Major Components Major components include (i) analysis of the pattern of traffic, (ii) traffic forecast, (iii) identification and prioritization of key road corridors that need improvement, (iv) a feasibility study for identified road corridors found suitable for ADB financing, and (v) preliminary design of improvement of road corridors suitable for ADB financing.</p> <p>Expected Outputs and Outcomes These are (i) a feasibility study for identified road corridors found suitable for ADB financing, and (ii) preliminary design of improvement of road corridors suitable for ADB financing.</p>
Capacity Building for Public-Private Infrastructure Development Facility	<p>Goal Improve delivery of credit for infrastructure development efficiently and effectively.</p> <p>Major Components Training, workshop, and capacity building for financial institutions in the delivery of financial services</p> <p>Expected Outputs and Outcomes Efficiency in infrastructure financing and improved project implementation</p>

Project Name	Description
Megacities Development Project	<p>Goal Prepare a project aimed at promoting human development and good governance in megacities for sound and balanced urban development.</p> <p>Major Components Examine, identify, and assess interventions for improving urban service delivery efficiency in terms of water supply and other urban infrastructure, improving urban governance, and capacity building and implementation assistance.</p> <p>Expected Outputs and Outcomes Feasibility study and design of interventions for the project</p>

ADB = Asian Development Bank, MDG = millennium development goal, NGO = non-government organization, SME = small and medium enterprise.

Source: Asian Development Bank.

Table 5: Updated Priority Sectors and Themes

Priority Sector	Developments Since Adoption of the Country Strategy and Program
Energy Transport Education Urban Health Urban Water Supply and Sanitation	There have been no significant changes since the adoption of the country strategy and program 2006–2010.
Priority Theme	
Private Sector Development Environment Gender Capacity Development Regional Cooperation	There have been no significant changes since the adoption of the country strategy and program 2006–2010.