

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Focus and Key Activities

1. Projects by major development partners in the urban sector are listed in Table 1.

**Table 1: Major Development Partners**

Sector or Theme	Development Partner	Project Name	Duration	Amount (\$ million)
Urban transport	ADB	Preparing the Greater Dhaka Sustainable Urban Transport Project (project preparatory technical assistance)	2010–2011	1.00
	World Bank	Dhaka Urban Transport Project	1995–2005	177.00
	World Bank	Clean Air and Sustainable Environment Project	2009–2013	77.54
	JICA	Dhaka Urban Transport Network Development Studies	2009–2010	...
Integrated urban development	ADB	City Region Development Project	2010–2017	170.00
	ADB	Urban Governance and Infrastructure Improvement (Sector) Project	2003–2010	60.00
	ADB/KfW/GIZ	Second Urban Governance and Infrastructure Improvement (Sector) Project	2008–2014	167.50
	World Bank	Municipal Service Project	1999–2011	138.60
	World Bank	Municipal Service Project (additional financing)	2008–2011	25.00
Urban water supply and sanitation	ADB	Secondary Towns Water Supply and Sanitation Project	2006–2013	41.00
	ADB	Dhaka Water Supply Sector Development Project	2007–2014	150.00
		Dhaka Water Supply Sector Development Program		50.00
	World Bank	Dhaka Water Supply and Sanitation Project	2008–2017	167.50
	World Bank	Chittagong Water Supply Improvement and Sanitation Project	2010–2015	186.76
	Danida	Water Supply and Sanitation Sector Program Support Phase I	2006–2010	60.82
	UNICEF	Environmental Sanitation, Hygiene, and Water Supply Project in Slum Areas	1997–2005	2.40
Urban environment	ADB	Urban Public and Environmental Health Sector Development Program	2009–2016	80.00
	World Bank	Clean Air and Sustainable Environment Project	2009–2014	71.25
	JICA	Strengthening Solid Waste Management in Dhaka City	2007–2011	...
Urban poverty	UNDP	Local Partnerships for Urban Poverty Reduction Project	2000–2007	21.00
	DFID/UNDP	Urban Partnerships for Poverty Reduction Program	2007–2015	120.00
Urban health care	ADB	Urban Primary Health Care Sector Development Program	2009–2017	80.00
	ADB/Sida/DFID/UNFPA	Second Urban Primary Health Care Project	2005–2012	90.00
Flood protection	ADB	Secondary Towns Integrated Flood Protection Project	2006–2010	80.00

... = not available, ADB = Asian Development Bank, DFID = Department for International Development of the United Kingdom, GIZ = Deutsche Gesellschaft für Internationale Zusammenarbeit, JICA = Japan International Cooperation Agency, Sida = Swedish International Development Cooperation Agency, UNDP = United Nations Development Programme, UNFPA = United National Population Fund, UNICEF = United Nations Children's Fund.

Source: Asian Development Bank.

2. The Asian Development Bank (ADB) is a major development partner in the sector with a large portfolio covering integrated urban development, water supply and sanitation, urban environment, and health care. ADB's Urban Governance and Infrastructure Improvement (Sector) Project (UGIIP) introduced performance-based allocation of investment funds, which proved to be an effective mechanism to boost municipal management and governance.<sup>1</sup> German development cooperation through GIZ and KfW joined the program to expand the UGIIP, resulting in its second phase. More recently, ADB has been supporting urban transport, with the preparation of the Greater Dhaka Sustainable Urban Transport Project. ADB consulted with the Agence Française de Développement and the Global Environment Facility to mobilize cofinancing for this project.

3. The World Bank is another major development partner in the sector, covering integrated urban development, water supply and sanitation, urban transport, and urban environment. Its Municipal Services Project has sought to improve the institutional performance of municipalities, though it does not adopt performance-based allocation. The Municipal Services Project and the UGIIP share the urban management support unit, which provides uniform training programs throughout the country. The World Bank has provided assistance to urban transport since 1995, and its first project, the Dhaka Urban Transport Project, led to the drafting of the Strategic Transport Plan for Dhaka in 2005, officially approved by the government in 2008. This document is now considered the basis for any urban transport project in Dhaka. Currently, the World Bank is implementing the Clean Air and Sustainable Environment Project, which includes a strong urban transport component focusing on traffic management and the feasibility of a Bus Rapid Transit (BRT) corridor and bus network restructuring in Dhaka's city center.

4. Other development partners support specific areas. The Department for International Development of the United Kingdom (DFID), the United Nations Development Program (UNDP), and the United Nations Population Fund (UNFPA) focus on urban poverty and health care with the aim to improve the livelihoods and living conditions of the urban poor. Under the Water Supply and Sanitation Sector Program Support Phase I, Danida supported the improvement of water supply and sanitation in urban areas, and agreed in 2010 to support the improvement of the Saidabad water treatment plant of Dhaka Water Supply and Sewerage Authority. The Japan International Cooperation Agency (JICA) has been supporting solid waste management in Dhaka and became involved in urban transport in 2010 through a feasibility study for a mass rapid transit line in Dhaka.

## **B. Institutional Arrangements and Processes for Development Coordination**

5. The Economic Relations Division of the Ministry of Finance is in charge of overall coordination of assistance. The Bangladesh joint cooperation strategy (JCS), 2010–2015 was signed in June 2010 and covers all development partners. In support of the JCS, monthly dialogues covering specific sectors or themes are held with local consultative groups (LCGs). In each sector, LCG working groups contribute to effective and coordinated implementation of national policies, strategies, plans, and programs. The urban sector LCG is cochaired by the secretary of the Local Government Division, GIZ, and UNDP, while ADB, JICA, the World Bank, and other United Nations agencies are core members. The transport LCG is chaired by JICA. ADB, DFID, the Government of Japan, and the World Bank established a joint strategic framework in 2006 for their assistance in Bangladesh in the transport sector, and agreed to conduct a joint evaluation.

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<sup>1</sup> ADB. 2002. *Urban Governance and Infrastructure Improvement (Sector) Project*. Manila.  
ADB. 2008. *Second Urban Governance and Infrastructure Improvement (Sector) Project*. Manila.

### **C. Achievements and Issues**

6. The JCS and shows the intention of the government and the development partners to work together in the spirit of the Paris Declaration and the Accra Agenda for Action. The JCS engenders harmonized and streamlined programs in support of Bangladesh's development plans and strategies by providing a common platform for partnership. The LCGs and their working groups are well established bodies that meet regularly and have proven to be a successful platform for sector dialogue and coordination.

7. Typical of urban transport institutional organization, Dhaka has several agencies within different ministries that are responsible for the development, planning, implementation, operation, maintenance, and policing of urban transport infrastructure and services. To ensure smooth coordination among line agencies, development partners, and different ongoing studies, ADB has coordinated with JICA and the World Bank to propose to the Ministry of Communications a common recommendation and request for institutional developments necessary to coordinate and implement the currently proposed projects. The recommendation focuses notably on restructuring and capacity strengthening of the Dhaka Transportation Coordination Board (DTCB), which should act in the short term as the planning, coordinating, and regulating authority for all mass transit projects. It is crucial for the recommendations made by the development partners to be the basis of the act transforming the DTCB into Dhaka Transport Coordination Authority. Special project organizations (SPOs) carrying out day-to-day mass-transit systems operations and monitoring performance-based contracts with private operators also have to be created as public companies. ADB, JICA, and the World Bank are closely coordinating on this issue. JICA proposes an SPO to implement and later operate the mass rapid transport line, while ADB proposes a similar SPO to operate the BRT section under its financing. The SPO under the ADB project will also be used to operate the World Bank's BRT section.

### **D. Summary and Recommendations**

8. At the sector level, it is recommended that the urban and transport LCGs remain fully operational and be used as a mechanism for coordinating work and promoting harmonization and alignment of development activities in urban transport. For urban transport issues, the transport LCG should notably emphasize the necessity for institutional reform, as outlined in the development partners' joint recommendation.

9. At the project level, the selected corridor for the proposed project will connect with the BRT corridor undertaken by the World Bank under the Clean Air and Sustainable Environment Project. Therefore, it is crucial to coordinate both studies and projects to ensure technical, operational, and institutional integration. ADB's feasibility study has progressed well and there is a high probability for the section of the corridor undertaken under ADB financing to be implemented first, because of easier institutional and technical features. Moreover, the demonstration value of this first section will ease the future implementation of the section undertaken under the World Bank financing. The selection of the same consulting group by the DTCB and the World Bank to undertake the feasibility study of their section, as well as the confirmation that the public company created under ADB financing will manage BRT operations on both sections, will greatly ease coordination and integration of the technical and operational aspects of both projects. This will ensure the implementation of a fully integrated BRT corridor from Gazipur to Sadhargat.