DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. Major development partners in the water supply and sanitation (WSS) sector in Bangladesh include the Asian Development Bank (ADB), Agence Française de Développement (AFD), Danish International Development Assistance (Danida), the European Investment Bank (EIB), the Japan International Cooperation Agency (JICA), and the World Bank. The table provides details of the major ongoing WSS projects undertaken by these development partners.

<table>
<thead>
<tr>
<th>Development Partner</th>
<th>Project Name</th>
<th>Duration</th>
<th>Amount ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Bank</td>
<td>Bangladesh Rural Water Supply and Sanitation Project</td>
<td>2012–2017</td>
<td>75.0</td>
</tr>
<tr>
<td>World Bank</td>
<td>Chittagong Water Supply Improvement and Sanitation Project</td>
<td>2010–2018</td>
<td>186.8</td>
</tr>
<tr>
<td>World Bank</td>
<td>Dhaka Water Supply and Sanitation Project</td>
<td>2008–2017</td>
<td>149.0</td>
</tr>
<tr>
<td>ADB, AFD, and EIB</td>
<td>Dhaka Environmentally Sustainable Water Sector Project</td>
<td>2013-2019</td>
<td>450.0</td>
</tr>
<tr>
<td>ADB</td>
<td>Khulna Water Supply Project</td>
<td>2012–2018</td>
<td>75.7</td>
</tr>
<tr>
<td>ADB</td>
<td>Dhaka Water Supply Sector Development Program</td>
<td>2007–2016</td>
<td>200.0</td>
</tr>
<tr>
<td>ADB</td>
<td>TA Strengthening Monitoring and Enforcement in the Meghna River for Dhaka's Sustainable Water Supply</td>
<td>2014-2017</td>
<td>1.0</td>
</tr>
<tr>
<td>JICA</td>
<td>Khulna Water Supply Project</td>
<td>2012–2018</td>
<td>184.0</td>
</tr>
<tr>
<td>Government of the PRC</td>
<td>Josholdia Water Treatment Plant Project</td>
<td>...</td>
<td>300.0</td>
</tr>
</tbody>
</table>


2. Several development partners have supported the improvement of WSS in Dhaka City, the country’s capital. In December 2007, ADB approved a program loan, a project loan, and a technical assistance grant to the government for the Dhaka Water Supply Sector Development Program.\(^1\) The program aims to rehabilitate and reinforce water supply systems and build capacity of the Dhaka Water Supply and Sewerage Authority (DWASA) to optimize its operational and financial performance. It has been implemented in 6 of the DWASA’s 10 zones through the establishment of district metered areas and the reduction of nonrevenue water.

3. ADB has also been supporting DWASA to implement the Dhaka Environmentally Sustainable Water Supply Project since 2013.\(^2\) The project aims to develop a new surface water scheme to augment the system’s water sources. It is also reinforcing the distribution network. The project will draw water from the Meghna River, about 30 kilometers from the center of Dhaka, which will ensure that the city’s supply system can access an adequate volume of good

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quality water. Its main activities are (i) the development of a new surface water supply system, including a new water treatment plant at Gandharbpur with a production capacity of 500 million liters per day (MLD); and (ii) the strengthening of the distribution network in one zone. The project is cofinanced by AFD and EIB.

4. In addition to Gandharbpur, DWASA has been developing other new surface water treatment plants with support from other development partners. Danida provided a loan to build the 225 MLD Saidabad Water Treatment Plant II, which was inaugurated in 2012. ADB is coordinating with AFD, Danida, and EIB that are processing loans totaling an indicative amount of $372 million to develop the proposed 450 MLD Saidabad Water Treatment Plant III. This treatment plant will complement the distribution network to be strengthened by ADB’s proposed Dhaka Water Supply Network Improvement Project. The parallel collaborative cofinancing will be recognized through a memorandum of understanding or a similar bilateral arrangement to be confirmed by the partners. Two financial packages worth about $300 million were signed between Bangladesh and the People’s Republic of China in 2013 to set up a water treatment plant on the Padma River to help Dhaka meet its growing water demand. ADB’s proposed project complements these water source augmentation efforts to maximize service delivery benefits. It could achieve efficiency gains and increase the current system’s supply by reducing nonrevenue water before other projects bring new sources online.

5. The World Bank-funded Dhaka Water Supply and Sanitation Project aims to improve the sustainable delivery of storm water drainage and wastewater and water services by DWASA through (i) the installation of storm water pumping stations and rehabilitation of canals; (ii) the rehabilitation, repair, and expansion of priority investments in the city’s sewerage network and treatment plant; and (iii) support for DWASA’s pilot expansion of water and sanitation services into some Dhaka slums. The project includes several possible sewerage management projects. ADB’s proposed project will help DWASA prepare outline designs and bid documents for one of these candidate projects.

6. Outside of Dhaka, the World Bank and JICA are supporting the improvement of water supply systems in the city of Chittagong, and ADB and JICA are supporting the development of a new surface water treatment system in the city of Khulna.

B. Institutional Arrangements and Processes for Development Coordination

7. A partnership framework for urban WSS was signed on 10 November 2007 by the Government of Bangladesh and the major development partners of the sector at the time: ADB, Danida, the Government of Japan, the Government of the Republic of Korea, and the World Bank. The development partners coordinate their support to WSS utilities in large cities based on a unified policy matrix. ADB has taken the lead role in development coordination under the partnership framework.

8. Assistance to Bangladesh from major development partners is coordinated by the Economic Relations Division of the Ministry of Finance. A joint cooperation strategy (JCS) for 2010–2015 was signed in June 2010 by the government and development partners to improve

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3 The board of AFD approved the €115 million loan in January 2015. Cofinancing with Danida ($200 million) and the European Investment Bank ($40 million) will be confirmed once approved by the respective institutions.

the way all parties work together in the spirit of the Paris Declaration and the Accra Agenda for Action. The JCS has now been aligned with the government's five-year plan for FY2016–FY2020. The JCS aims to better harmonize and streamline programs in support of the country's development plans and strategies by establishing a common platform and inclusive partnership based on which all parties will hold each other accountable for making concrete, measurable progress toward greater aid effectiveness.

C. Achievements and Issues

9. In support of the JCS, joint government–development partner local consultative groups (LCGs) hold regular dialogues at the sector and thematic levels. The objective of the LCGs is to contribute to effective and coordinated implementation of national policies, strategies, plans, and programs through a joint results and monitoring framework. The WSS LCG is co-chaired by the additional secretary of the local government division of the Ministry of Local Government, Rural Development, and Cooperatives, and the World Bank. All major development partners are members, including ADB, Danida, German Development Cooperation, JICA, the Swedish International Development Cooperation Agency, the United States Agency for International Development, the United Nations Children’s Fund, the United Nations Development Programme, and the World Health Organization. The WSS LCG meets regularly and has proved to be a successful platform for dialogue and coordination.

D. Summary and Recommendations

10. It is recommended that the WSS LCG be fully utilized as a mechanism for coordinating work and promoting harmonization and alignment of activities in the sector. Where appropriate, the LCG can provide a mechanism for development cooperation through joint fact-finding, field review, and/or evaluation missions. The LCG provides a forum for facilitating a common understanding and communicating lessons learned.

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5 Development partner signatories were ADB, Australia, Canada, Denmark, the European Union, Germany, the Islamic Development Bank, Japan, the Republic of Korea, the Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom, the United Nations, the United States, and the World Bank. Government of Bangladesh. 2010. *Bangladesh Joint Cooperation Strategy: 2010–2015*. Dhaka.