



Concept Paper

Project Number: 55041-001
March 2021

Proposed Programmatic Approach and Policy- Based Loan for Subprogram 1 Bangladesh: Strengthening Social Resilience Program

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 1 March 2021)

Currency unit	–	taka (Tk)
Tk1.00	=	\$0.01178
\$1.00	=	Tk84.8528

ABBREVIATIONS

ADB	–	Asian Development Bank
COVID-19	–	coronavirus disease
FY	–	fiscal year
GDP	–	gross domestic product
MFS	–	mobile financial service
MOHFW	–	Ministry of Health and Family Welfare
NFIS-B	–	National Financial Inclusion Strategy- Bangladesh
NSSS	–	National Social Security Strategy
NUHS	–	National Urban Health Strategy
TA	–	technical assistance

NOTES

- (i) The fiscal year (FY) of the Government of Bangladesh and its agencies ends on 30 June. "FY" before a calendar year denotes the year in which the fiscal year ends, e.g., FY2021 ends on 30 June 2021.
- (ii) In this report, "\$" refers to United States dollars.

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PROGRAM AT A GLANCE

1. Basic Data		Project Number: 55041-001	
Project Name	Strengthening Social Resilience Program (Subprogram 1)	Department/Division	SARD/SAHS
Country	Bangladesh	Executing Agency	Finance Division, Ministry of Finance
Borrower	People's Republic of Bangladesh		
Country Economic Indicators	https://www.adb.org/Documents/LinkedDocs/?id=55041-001-CEI		
Portfolio at a Glance	https://www.adb.org/Documents/LinkedDocs/?id=55041-001-PortAtaGlance		
2. Sector	Subsector(s)	ADB Financing (\$ million)	
✓ Public sector management	Social protection initiatives		100.00
Finance	Inclusive finance		75.00
Health	Health system development		75.00
		Total	250.00
3. Operational Priorities		Climate Change Information	
✓ Addressing remaining poverty and reducing inequalities		GHG reductions (tons per annum)	0.000
✓ Accelerating progress in gender equality		Climate Change impact on the Project	Low
✓ Strengthening governance and institutional capacity			
		ADB Financing	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
		Cofinancing	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
Sustainable Development Goals		Gender Equity and Mainstreaming	
SDG 1.3		Effective gender mainstreaming (EGM)	✓
SDG 2.1			
SDG 3.8			
SDG 5.c			
SDG 8.10			
SDG 10.2			
		Poverty Targeting	
		General Intervention on Poverty	✓
4. Risk Categorization:	Complex		
5. Safeguard Categorization	Environment: C Involuntary Resettlement: C Indigenous Peoples: C		
6. Financing			
Modality and Sources		Amount (\$ million)	
ADB		250.00	
Sovereign Programmatic Approach Policy-Based Lending (Regular Loan): Ordinary capital resources		250.00	
Cofinancing		0.00	
None		0.00	
Counterpart		0.00	
None		0.00	
Total		250.00	
Note: An attached technical assistance will be financed on a grant basis by the To be determined in the amount of \$1,200,000.			
Currency of ADB Financing: US Dollar			

I. THE PROPOSAL

1. The proposed program aims to support the Government of Bangladesh to strengthen the social resilience of people in Bangladesh.¹ It is consistent with the country partnership strategy for Bangladesh, 2016–2020 on prioritizing investment areas for improving human capital through social programs and improving rural livelihoods.² It is also aligned with the Asian Development Bank (ADB) Strategy 2030 operational priorities (OP), particularly OP 1: addressing remaining poverty and reducing inequalities, OP 2: accelerating progress in gender equality, and OP 6: strengthening governance and institutional capacity.³

2. The programmatic approach, consisting of two subprograms, is proposed to design and support sequenced policy packages and enhance inclusive and responsive social development in Bangladesh.⁴

II. PROGRAM AND RATIONALE

A. Background and Development Constraints

3. Bangladesh has made considerable achievements in poverty reduction. Poverty incidence declined from 48.9% in 2000 to 20.5% in 2019.⁵ Although living conditions of some have improved from a chronic poor status, a substantial number of people continue to sustain their lives by day work and remain highly vulnerable to covariate shocks, such as major illnesses and external events. Further, the coronavirus disease (COVID-19) pandemic has significantly affected the socio-economy of Bangladesh. The growth rate of the country's gross domestic product (GDP) in 2020 decreased by 3% from the pre-pandemic estimate of 8.2%. The economy experienced a particularly sharp decline during April–May 2020, with substantial reductions in international trade and remittances. The unemployment rate surged to 22.4% during April–July 2020 from 2.1% in March 2020. Among those hit hardest by the pandemic are poor people who have faced further impoverishment, and many vulnerable people who have fallen back into poverty.

4. To mitigate the impact of the COVID-19 pandemic, the government introduced timely stimulus packages in April 2020, such as financial support for health workers and for employment-generation. International trade and remittances have been on the path to recovery since late 2020, and the unemployment rate decreased to 3.8% in September 2020. Nonetheless, continued social protection support is critical as the adverse effects of the pandemic remain. The COVID-19 pandemic has enhanced the government's intention to strengthen social protection programs as a crucial means of resilience building for the poor and vulnerable.⁶ Strengthening and reforming the social protection system is key to support inclusive recovery from the COVID-19 pandemic and continue the work towards sustainable development.

¹ The program is included in ADB. 2020. *Country Operations Business Plan: Bangladesh 2021–2023*. Manila. The proposed program title has been revised from “Mitigating Medium- and Long-Term Economic and Social Impact of COVID-19”.

² ADB. 2016. *Country Partnership Strategy: Bangladesh, 2016–2020*. Manila. ADB's country partnership strategy for Bangladesh, 2021–2025 is under preparation.

³ ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.

⁴ An initial draft of the design and monitoring framework is in Appendix 1.

⁵ Government of Bangladesh, Bangladesh Bureau of Statistics. 2019. *Bangladesh Statistics 2019*. Dhaka.

⁶ Government of Bangladesh, Planning Commission, General Economics Division. 2020. *8th Five Year Plan (2021–2025)*. Dhaka.

5. **Development constraints.** The early stage of social protection development in Bangladesh mainly focused on post-disaster relief to support affected people. Food security programs have been created also in the initial stage, focusing on the extreme poor in rural areas and on seasonal poverty during lean agricultural periods. Bangladesh's social protection system has established individual safety net programs to meet those specific needs. This approach has led to the creation of more than 100 programs with multiple implementation ministries, which has caused inefficiencies in providing social protection. Further, the gap between social needs and available protection is becoming significant, since the social protection system does not effectively meet the diversified social needs of Bangladesh's population, such as those from the urban poor.

6. The government recognized constraints in the social protection system and formulated the National Social Security Strategy (NSSS) in 2015 to improve the inclusiveness of social protection and to efficiently respond to diversified social needs by streamlining programs and strengthening the overall system.⁷ The NSSS has identified the following critical constraints in social protection programs: (i) inadequate coverage and benefits, (ii) high targeting errors, and (iii) fragmentation with too many small programs. In addition, the NSSS has acknowledged the increasing importance of financial inclusion of disadvantaged people in strengthening social resilience through advanced financial and digital technologies. Further, the NSSS has suggested a conceptual change in the social protection system from the current fragmented structure to a lifecycle approach, which addresses causes of poverty in different life stages. For example, the lifecycle approach considers maternal support to reduce economic risks associated with pregnancy and early childhood, and support for old age people to mitigate risks associated with aging and disability. The current social protection scope in Bangladesh is too narrow to meet the lifecycle-associated social needs.

7. **Inadequate coverage and benefits.** The allocated budget for social protection has been relatively small (i.e., 1.0%–1.5% of GDP) in the last 10 years, even though there are many social safety net programs. This has resulted in limited resources allocated to too many programs to attain substantial impact on the target groups. Many programs have not been able to cover all the targeted people even for key programs such as the old age allowance program and the allowance program for widowed, deserted, and destitute women.⁸

8. **Targeting issues.** Targeting errors in social safety net programs are high, both for exclusion error (i.e., when eligible people are not covered by social protection) and inclusion error (i.e., when non-eligible people are covered by social protection). The Household Income and Expenditure Survey 2016 indicated that the exclusion error was about 70% overall, and the inclusion error was about 46%.⁹ The NSSS has stressed the importance of establishing a unified registry system of social protection beneficiaries with a functional management information system, which will improve registration transparency and reduce duplication. Such unified registry system will further contribute to a more effective monitoring and evaluation of programs.

⁷ Government of Bangladesh, Planning Commission, General Economics Division. 2015. *National Social Security Strategy (NSSS) of Bangladesh*. Dhaka.

⁸ The old age allowance program provides poor elderly people with a reliable source of income. The allowance program for widowed, deserted, and destitute women provides unconditional cash transfers to eligible women. For example, among 460 *upazilas* (administrative units at the subdistrict level), 360 *upazilas* have covered only 60%–70% of the eligible elderly under the old age allowance program.

⁹ Government of Bangladesh, Planning Commission, General Economics Division. 2020. *Midterm Progress Review on the National Social Security Strategy*. Dhaka. The empirical analysis on targeting errors may be subject to incomplete or inaccurate estimates due to the limited availability or quality of data.

9. **Fragmentation with too many programs.** More than 100 social protection programs are managed by various ministries, such as the Ministry of Social Welfare, the Ministry of Women and Children Affairs, and the Ministry of Disaster Management and Relief. The administrative processes of these programs have neither been unified nor fully digitalized, resulting in inefficiencies that have reduced the programs' overall impact. There is a need to consolidate small programs, where appropriate, and establish a unified registry system of social protection beneficiaries to improve the overall efficiency and maximize the benefits of social protection.

10. **Financial exclusion.** Although the government recognizes the potential of financial inclusion for disadvantaged people to increase their income-generation opportunities and strengthen their social resilience, the enabling environment has not been developed in Bangladesh. Nearly half of the population is still unbanked. One of the main challenges is in complying with the documentation and identification requirements to open a bank account. To improve the access to financial services, the government aims to enhance the use of mobile financial services (MFS), which are becoming popular even for disadvantaged people, including women and micro-business operators. However, MFS transactions have not been interoperable across all the banks and MFS providers, which hinders the wider use of MFS. Moreover, disadvantaged people tend to be conservative in accessing financial and digital services because of their limited technological and financial literacy.

11. **Limited scope to meet lifecycle social and health needs.**¹⁰ Social protection in Bangladesh focuses on poverty relief in rural areas. This scope is too narrow to respond to diversified protection needs. For example, social protection in the country provides a social safety net for seasonal unemployment during lean agricultural periods, but there is no scheme to help mitigate the impacts of employment loss or sickness for informal sector workers, who account for more than 70% of the workforce. The NSSS suggests broadening the scope of social protection not only to focus on poverty relief but also to mitigate the risks of falling into poverty. Further, the NSSS also stresses that health-related shocks could be devastating to poor and vulnerable people. The need for health care services is high in growing urban areas, but the availability of quality and affordable health care services is limited for many urban people. The COVID-19 pandemic has revealed the unpreparedness of the health care system and underscores the need to address weaknesses in the health response and readiness for unanticipated health crises.

B. Policy Reform and ADB's Value Addition

12. **Proposed policy reforms.** To improve inclusiveness and responsiveness in social protection, the proposed reform areas are: (i) coverage and efficiency of social protection improved, (ii) financial inclusion for disadvantaged people improved, and (iii) response to lifecycle social and health needs strengthened. Subprogram 1 will focus on establishing institutional arrangements, supporting government-led directions and planning, and strengthening key programs to build the foundation for further reforms. Subprogram 2 will take on these actions to further reform the social protection administration, improve accessibility of MFS, and broaden the scope of protection.

13. **Reform area 1: Coverage and efficiency of social protection improved.** Under subprogram 1, the government will operationalize a management information system for social protection budget management, which will be the base for increasing administrative efficiency. Further, the government will approve a harmonization strategy under subprogram 1 as the

¹⁰ Social protection in Bangladesh focuses on poor relief. Lifecycle social needs are based on a lifecycle approach which is not only to mitigate poverty but also risks of falling into poverty at different life stages.

administrative basis for safety net program consolidation under subprogram 2. To improve social protection coverage, the government will approve an increase in the coverage of key safety net programs, i.e., the old age allowance program; the allowance program for widowed, deserted, and destitute women.¹¹ Under subprogram 2, the government will establish a unified registry system for social protection beneficiaries, which will enable the government to administer various safety net programs with a single entry point for the beneficiaries. Further, based on the approved harmonization strategy, the government will adopt the consolidation of target safety net programs based on the approved harmonization strategy. As part of the government's continued efforts on improving social protection coverage, the government will also approve an increase in the coverage of a safety net program with a focus on vulnerable women under subprogram 2.

14. Reform area 2: Financial Inclusion of disadvantaged people improved. Under subprogram 1, the government will approve the National Financial Inclusion Strategy- Bangladesh (NFIS-B), which outlines the vision, roadmap, coordination mechanism, and monitoring and evaluation framework for financial inclusion in Bangladesh. To improve access to financial services, the Bangladesh Bank will simplify documentation requirements for opening personal retail accounts. Further, the government will promote the use of MFS as a key tool to enhance financial inclusion of disadvantaged people. To enable the wider use of MFS, Bangladesh Bank will adopt interoperable transactions across all the banks and MFS providers to ease MFS transactions among business operators and improve the usability of MFS by personal users. Under subprogram 2, the cross-ministerial coordination and supervision scheme of the NFIS-B will be institutionalized by establishing the national council of the NFIS-B. To enhance a wider acceptance of digitalized payments through MFS, a pricing guideline on digitalized payments will be adopted. Further, a policy will be adopted to ease the use of MFS by disadvantaged people to receive social protection benefits as electronic payments.¹²

15. Reform area 3: Response to lifecycle social and health needs strengthened. Under subprogram 1, the Ministry of Health and Family Welfare (MOHFW) will adopt the policy guideline on public health research to strengthen the national health system preparedness, which will include epidemic and pandemic issues with corresponding budget allocation. The MOHFW will also approve the National Urban Health Strategy (NUHS), which provides a national strategic framework to strengthen urban health care services, considering the growing health needs of the urban population. Also, the government will strengthen its institutional capacity to respond to diversified social needs based on a lifecycle approach by establishing the NSSF task force. The NSSF task force will be responsible for high-level policy guidance on cross-ministerial issues on social protection. Under subprogram 2, the government will approve the new action plan of the NSSF (2021–2026), with policy guidance from the NSSF task force, which will include issues related to diversified social needs such as those of the urban population and the issue of social insurance. Further, the National Social Insurance Scheme framework will be approved, which will be the foundation in developing the social insurance system of Bangladesh. To improve the response to health needs of the urban population, the cross-ministerial coordination and supervision scheme of urban health will be institutionalized based on the approved NUHS. The MOHFW will also adopt a policy on improving urban health care services.

16. ADB's value addition. The COVID-19 pandemic in 2020 required immediate support to meet urgent health, social, and financial needs. Aligned with the government's stimulus policy,

¹¹ The government will approve the increase in the coverage of those social protection programs to attain full coverage of eligible people in 150 *upazilas*.

¹² Bangladesh has increasingly applied a government-to-person electronic payment scheme for social protection programs in about last five years. For example, under the cash-transfer programs managed by Ministry of Social Welfare, Tk6.86 billion has been delivered digitally to cash transfer recipients as of June 2020.

ADB has provided emergency financial support to help mitigate the impacts of COVID-19 pandemic focusing on social safety net and job security, as an integral part of the National Preparedness and Response Plan for COVID-19.¹³ ADB also supported urgent logistical and systemic needs related to the COVID-19 pandemic.¹⁴ Further, ADB has continued to support in developing urban health in Bangladesh, focusing on accessibility, quality and use of urban primary health care services.¹⁵ Building on the assistance towards inclusive recovery from the COVID-19 pandemic in the medium term and the ongoing engagement with the country's health sector, ADB has undertaken comprehensive policy dialogue with the government on social protection, resulting in the following key contributions to the design of the government-owned policy packages: (i) the potential of digital and financial technologies in addressing financial exclusion and further improving inclusive development, (ii) diversified social needs based on a lifecycle approach, and (iii) the necessity of health response and preparedness as a requisite for social resilience. ADB will further strengthen its support by providing an attached technical assistance (TA) focusing on issues related to (i) electronic social protection payments, (ii) harmonization of safety net programs, and (iii) development of social insurance scheme.

C. Impacts of the Reform

17. The program's impact will be strengthened social resilience of people in Bangladesh in line with the development objectives of the NSSS. The outcome will be improved inclusiveness and responsiveness of social development.

D. Development Financing Needs and Budget Support

18. Because of the impact of the COVID-19 pandemic on the economy and the fiscal needs for the stimulus packages, the annual fiscal deficit is estimated to increase to 6.0% of GDP in fiscal year (FY) 2021 from 5.5% in FY2020, before slightly declining to 5.7% in FY2022. As such, the financial requirement is expected to reach \$23.4 billion for FY2021 and \$26.5 billion for FY2022. The loan size reflects the government's total financial needs, and the program is estimated to cost \$500 million from ADB's ordinary capital resources, of which \$250 million (about 1.1% of the government's financial needs in FY2021) is estimated to finance subprogram 1.

E. Implementation Arrangements

19. The Ministry of Finance's Finance Division will be the executing agency. The implementing agencies will be the Bangladesh Bank, Ministry of Disaster Management and Relief, MOHFW, and Ministry of Social Welfare. The implementation period will be from July 2020 to June 2021 for subprogram 1 and from July 2021 to December 2023 for subprogram 2. The loan proceeds will be withdrawn in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time).

¹³ ADB. 2020. [Report and Recommendation of the President to the Board of Directors: Proposed Countercyclical Support Facility Loans and Technical Assistance Grant to the People's Republic of Bangladesh for COVID-19 Active Response and Expenditure Support Program](#). Manila.

¹⁴ ADB. 2020. [Report and Recommendation of the President to the Board of Directors: Proposed Loan to the People's Republic of Bangladesh for COVID-19 Response Emergency Assistance Project](#). Manila.

¹⁵ ADB. 2005. [Report and Recommendation of the President to the Board of Directors: Proposed Loan and Asian Development Fund Grant to the People's Republic of Bangladesh for the Second Urban Primary Health Care Project](#). Manila; ADB. 2012. [Report and Recommendation of the President to the Board of Directors: Proposed Loan, Technical Assistance Grant, and Administration of Grant to the People's Republic of Bangladesh for Urban Primary Health Care Services Delivery Project](#). Manila; and ADB. 2018. [Report and Recommendation of the President to the Board of Directors: Proposed Loan and Administration of Grant for Additional Financing to People's Republic of Bangladesh for Urban Primary Health Care Service Delivery Project](#). Manila.

III. TECHNICAL ASSISTANCE

20. The attached TA is estimated to cost \$1,258,000, of which \$1,200,000 will be financed on a grant basis from the sources of ADB trust funds. The government will provide in-kind support in the form of counterpart staff and assistance in arranging meetings with related agencies. It will support program implementation and capacity development of relevant ministries with technical and policy analyses of (i) electronic payments for social protection benefits, (ii) harmonizing of safety net programs, and (iii) a social security system toward becoming a middle-income country.

IV. DUE DILIGENCE REQUIRED

21. Due diligence for the program will include a sector assessment, a program economic assessment, gender equality and social inclusion impact analysis, preparation of a summary poverty reduction and social strategy, and preparation of a risk assessment and risk management plan. The proposed program is expected to have no adverse environmental, indigenous peoples, and involuntary resettlement impacts. The program is expected to be categorized C for environment, indigenous peoples, and involuntary resettlement.

V. PROCESSING PLAN

A. Risk Categorization

22. The program is classified *complex* as it exceeds \$50 million for a policy-based loan.

B. Resource Requirements

23. The program processing is expected to require eight consultants with 20 person-months of consultant inputs. The consultants will include social protection experts, gender and social development experts, health experts, and financial inclusion experts financed by the TA facility for Support to Address Outbreak of COVID-19 and Strengthen Preparedness for Communicable Diseases in South Asia.¹⁶

C. Processing Schedule

Proposed Processing Schedule

Milestones	Expected Completion Date
Loan fact-finding	April 2021
Management review meeting	April 2021
Loan negotiation	May 2021
Board consideration	June 2021

Source: Asian Development Bank.

VI. KEY ISSUES

24. The key issues are to ensure due diligence, including program economic assessment, safeguards category confirmation, and gender-inclusive policy measures for effective gender mainstreaming.

¹⁶ ADB. 2020. *Technical Assistance for Support to Address Outbreak of COVID-19 and Strengthen Preparedness for Communicable Diseases in South Asia*. Manila. <https://www.adb.org/projects/documents/reg-54201-001-tar>.

DESIGN AND MONITORING FRAMEWORK
(Initial Draft)

Country's Overarching Development Objective Social resilience of people strengthened (National Social Security Strategy of Bangladesh, 2021–2025) ^a			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
Effect of the Reform Inclusiveness and responsiveness of social development improved	By 2023 a. Social protection coverage increased to XX% of the population, disaggregated by sex (2020 baseline: XX%) [OP 1.1, OP 1.1.3, OP 2.5.4] b. MFS accounts increased to XXX, disaggregated by sex, and urban and rural (2020 baseline: XXX) [OP 1.3.2, OP 1.3.3] c. Trained urban health care providers increased to XXX, disaggregated by sex (2020 baseline: XXX) [OP 1.1, OP 1.1.2]	a–c. Data from the MOF, MOSW, Bangladesh Bank, and the MOHFW	COVID-19 impacts are prolonged and more severe than expected.
Reform Areas 1. Coverage and efficiency of social protection improved	Indicative Policy Actions By 2021 (Subprogram 1) 1.1 Management information system for social protection budget administration operationalized for improving administrative efficiency, with collection data disaggregated by sex (2020 baseline: NA) 1.2 Social protection program harmonization strategy approved as the basis for the cross-ministerial action of program consolidation (2020 baseline: NA) 1.3 Increase in coverage of old age allowance program approved to attain full coverage of eligible elderly people in 150 <i>upazilas</i> (administrative units at the subdistrict level) (2020 baseline: 60%–70% of eligible poor elderly) [OP 1.1, OP 1.1.3, OP 6.1.3] 1.4 Increase in coverage of the allowance program for widowed, deserted, and destitute women approved to attain full coverage of eligible women in 150 <i>upazilas</i> (2020 baseline: 60–70% of eligible widows) [OP 1.1, OP 1.1.3, OP 2.5.4, OP 6.1.3]	1.1 Order by the MOF confirming that the social protection budget administration MIS is operational 1.2 Approved program harmonization strategy by the Cabinet Division 1.3–1.4 Circular approved by the MOF; and website of the Cabinet Division	Fiscal pressures may delay expansion of coverage of social protection

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
2. Financial inclusion for disadvantaged people improved	<p>By 2022 (Subprogram 2)</p> <p>1.5 A unified registry system of social protection beneficiaries established (2020 baseline: NA) [OP 1.1.3]</p> <p>1.6 Based on the program harmonization strategy, social protection program consolidation approved (2020 baseline: NA) [OP 1.1.3]</p> <p>1.7 Increase in coverage of a social protection program for disadvantaged women approved to attain full coverage of eligible women in XX <i>upazilas</i> (2020 baseline: XX% of eligible women) [OP 1.1, OP 1.1.3, OP, OP 6.1.3]</p> <p>By 2021 (Subprogram 1)</p> <p>2.1 NFIS-B approved by the Cabinet to address the financial exclusion of the disadvantaged population, covering poor and vulnerable women and men (2020 baseline: NA) [OP 1.3.3]</p> <p>2.2 Simplified documentation requirements for opening individual retail accounts adopted to improve accessibility to financial services (2020 baseline: NA) [OP 1.3.3]</p> <p>2.3 Interoperable transactions of MFS adopted among all banks and MFS providers to ease MFS transactions among personal users and enterprises (2020 baseline: NA) [OP 1.3.2, OP 1.3.3]</p> <p>By 2022 (Subprogram 2)</p> <p>2.4 Cross-ministerial coordination and supervision scheme for monitoring and evaluation of the NFIS-B institutionalized by establishing the national council of the NFIS-B (2020 baseline: NA)</p> <p>2.5 Pricing guideline on digitalized payment adopted to promote wider acceptance of digitalized payments (2020 baseline: NA)</p> <p>2.6 Policy on easing use of MFS for social protection beneficiaries approved (2020 baseline: NA)</p>	<p>1.5 Approved ministerial order confirming establishment of the unified registry system</p> <p>1.6 Approved ministerial order on the program consolidation</p> <p>1.7 Circular approved by the MOF, and website of the Cabinet Division</p> <p>2.1 Approved NFIS-B; and MOF website</p> <p>2.2 Circular by Bangladesh Bank confirming the simplified documentation requirements for the opening of individual retail accounts</p> <p>2.3 Circular by Bangladesh Bank confirming interoperable transactions of MFSs</p> <p>2.4 Order issued confirming the establishment of the national council of the NFIS-B</p> <p>2.5 Circular by Bangladesh Bank on the pricing guideline</p> <p>2.6 Ministerial order on the easing policy on MFS use by social protection beneficiaries</p>	

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
3. Response to lifecycle social needs strengthened	<p>By 2021 (Subprogram 1)</p> <p>3.1 Policy guideline on public health research that includes issues of infectious diseases in its scope adopted to strengthen health preparedness for epidemics and pandemics (2020 baseline: NA)</p> <p>3.2 NUHS approved to strengthen the health response to the urban population, including the differing needs of women and men (2020 baseline: NA)</p> <p>3.3 High-level policy guidance scheme institutionalized by formulating the NSSS task force for cross-ministerial issues on social protection (2020 baseline: NA)</p> <p>By 2022 (Subprogram 2)</p> <p>3.4 Based on the approved NUHS, the cross-ministerial coordination and supervision scheme institutionalized (2020 baseline: NA)</p> <p>3.5 Based on the approved NUHS, a policy in improving urban health care services adopted (2020 baseline: NA)</p> <p>3.6 New action plan of the NSSS, guided by the established NSSS task force, approved by the government to provide the government's policy guidance on social protection system reform (2020 baseline: NA)</p> <p>3.7 Framework of NSIS approved by the government to build the base for establishing a social insurance system (2020 baseline: NA) [OP 6.1.3]</p>	<p>3.1 Approved policy guideline by the MOF and MOHFW</p> <p>3.2 Approved NUHS</p> <p>3.3 Notice by the Cabinet Division confirming the establishment of the NSSS task force</p> <p>3.4 Submitted draft National Health Protection Act</p> <p>3.5 Ministerial order on the policy of improvement in urban health care services</p> <p>3.6 Approved new action plan by the Cabinet Division</p> <p>3.7 Submitted policy proposal on the NSIS to the Cabinet Division</p>	
<p>Budget Support</p> <p>ADB: Subprogram 1: \$250 million (ordinary capital resources loan)</p> <p>Subprogram 2: \$250 million (ordinary capital resources loan)</p>			

ADB = Asian Development Bank, COVID-19 = coronavirus disease, MFS = mobile financial service, MIS = management information system, MOF = Ministry of Finance, MOHFW = Ministry of Health and Family Welfare, MOSW = Ministry of Social Welfare, NA = not applicable, NFIS-B = National Financial Inclusion Strategy-Bangladesh, NSIS = National Social Insurance Scheme, NSSS = National Social Security Strategy, NUHS = National Urban Health Strategy.

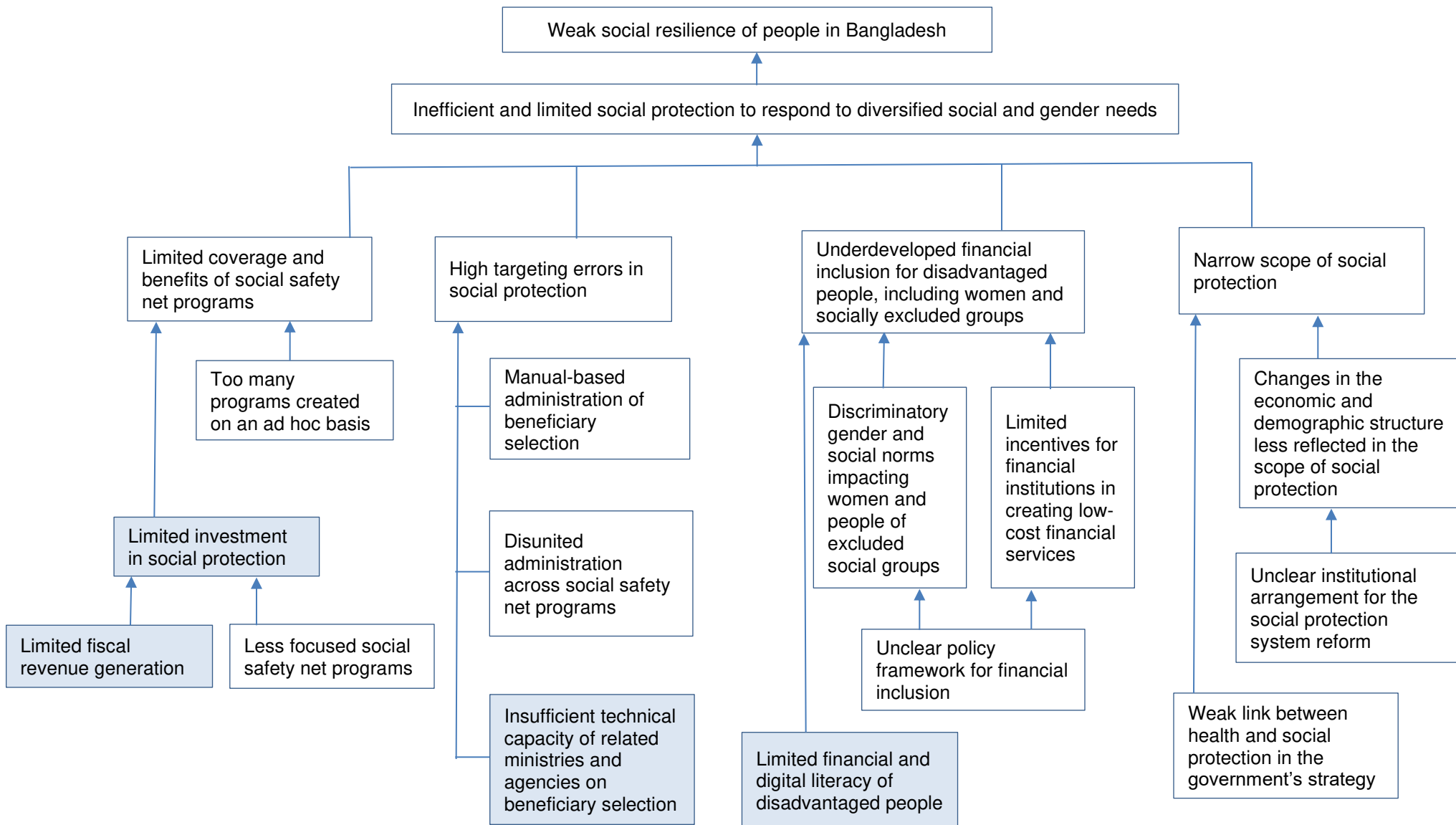
^a Government of Bangladesh, Planning Commission, General Economics Division. 2015. *National Social Security Strategy of Bangladesh*. Bangladesh.

Contribution to Strategy 2030 Operational Priorities

In the Report and Recommendation of the President, expected values and methodological details for all OP indicators to which this operation will contribute results will be detailed in the Contribution to Strategy 2030 Operational Priorities linked document.

Source: Asian Development Bank.

PROBLEM TREE



Note: Shaded boxes are not to be covered by the proposed program.

TECHNICAL ASSISTANCE FACILITY UTILIZATION UPDATE

1. The technical assistance (TA) facility for Support to Address Outbreak of COVID-19 and Strengthen Preparedness for Communicable Diseases in South Asia was approved on 20 May 2020 in an amount of \$1,000,000. As of 17 December 2020, an increase in the TA amount of \$400,000 was approved to support the design and processing of the proposed Strengthening Social Resilience Program (the previous program name was Strengthening Social Protection and Resilience for Social Impact of COVID-19 Program) in Bangladesh. As of 13 January 2021, contract awards totaled \$709,949, and disbursements totaled \$80,305.
2. The TA facility will deliver the following outputs specifically for the ensuing policy-based loan for Strengthening Social Resilience Program in Bangladesh. The major outputs and activities are summarized in Table A3.1.

Table A3.1: Summary of Major Outputs and Activities

Outputs	Delivery Dates	Key Activities with Milestones
1. Design of projects and activities to address COVID-19 outbreak strengthened	June 2020–May 2023	1.1 Health system assessments, including supply-side assessment of gaps in emergency response 1.2 Health care demand assessments taking into account any effect of the COVID-19 outbreak as well as social norms and gender barriers to seeking care 1.3 Identification of gaps in maternal and child health, and nutrition because of the outbreak 1.4 Analysis of social protection, financial inclusion, and health-related programs and policies in Bangladesh, with a focus on links to and entry points for strengthening social protection measures 1.5 Economic assessment of the proposed PBL program, including assessment of macroeconomic conditions 1.6 Assessments related to institutional capacity, financial management, poverty, gender, and others related to ADB due diligence.
2. Preparedness of health, education, and social protection systems in SARD developing member countries to respond to outbreaks strengthened	June 2020–May 2023	2.1 Review of risks and health resources mapping 2.2 Project procurement risk assessment and a strategic procurement plan, including a draft procurement plan, draft bidding documents and training for relevant government officials, and recommendations for developing flexible systems for procuring necessary supplies 2.3 Technical support for strengthening response plans and mechanisms, including systems for (i) maintaining stockpiles of essential drugs and PPE, (ii) strengthening reporting, and (iii) improving surveillance systems 2.4 Strategic advice for containing cases and managing treatment, including a gender-sensitive approach to providing treatment
3. Knowledge of evidence-based approaches for effective operations in health, education, and	December 2020–May 2023	3.1 Support the production and exchange of knowledge in health, education, and social protection sectors gathered from ongoing responses to COVID-19

Outputs	Delivery Dates	Key Activities with Milestones
social protection promoted		

ADB = Asian Development Bank, COVID-19 = coronavirus disease, PBL = policy-based lending, PPE = personal protective equipment, SARD = South Asia Department.
Source: Asian Development Bank.

8. **Resources under the technical assistance facility.** The updated consultants' input allocation from the TA facility is presented in Table A3.2. It is confirmed that (i) the TA facility has adequate resources and (ii) the existing terms of reference for consultants are sufficient to undertake the activities required to deliver the outputs for the ensuing program.

Table A3.2: Updated Consultants' Input Allocation from the Technical Assistance Facility
(person-month)

Item	Total	Project 1 ^a	Project 2 ^b	Project 3 ^c	Project 4 ^d	Project 5 ^e	F	G	H	I	J	K
		Low risk	Low risk	Low risk	Low risk	Complex						
A. Individual Consultants: International												
Senior data scientist	2.0	1.0					1.0					
Senior health security expert	3.0			1.0	1.0						1.0	
Health information technology expert	2.0			0.5	0.5					0.5	0.5	
Maternal, child health, and nutrition specialist	2.0		0.5	0.5	0.5						0.5	
Health economist: demand-side research	2.0		0.5	0.5	0.5						0.5	
Pool of international experts	27.0					12.0	3.0	2.0	6.0	2.0	2.0	
Senior education specialist: education systems	3.0						0.5	0.5	0.5	0.5	0.5	0.5
Senior education specialist: learning support	3.0						1.0		1.0		1.0	
Teacher development specialist	3.0						1.0	0.5		0.5	1.0	
Education technology specialist	3.0						1.0	0.5		0.5	1.0	
Social protection specialist	2.0						0.5	0.5	0.5		0.5	
Subtotal (A)	52.0	1.0	1.0	2.5	2.5	12.0	8.0	4.0	8.0	4.0	8.5	0.5
B. Individual Consultants: National												
Pool of experts	29.0					15.0					7.0	7.0
Subtotal (B)	29.0	0	0	0	0	15.0	0	0	0	0	7.0	7.0
C. Firm Consultants												
International positions												
Team leader and management expert	3.0										1.5	1.5
Healthcare management expert	3.0										1.5	1.5
Medical professional (epidemiologist)	2.0										1.0	1.0
Statistician and data analytics expert	3.0										1.5	1.5
Information and telecommunications expert	2.0										1.0	1.0
GIS and mapping expert	2.0										1.0	1.0
Subtotal (C)	15.0	0	0	0	0	0	0	0	0	0	7.5	7.5
Total (A + B + C)	96.0	1.0	1.0	2.5	2.5	27.0	8.0	4.0	8.0	4.0	23.0	15.0

Note: Risk category refers to the risk rating of the project being supported (indicative for ensuing projects) per OMD 12: Staff Instructions on Business Processes for TRTA. Procurement consultants and gender and social development consultants are included in pool of international and national experts. F: Bangladesh; G: Bhutan; H: India; I: Maldives; J: Nepal; K: Sri Lanka.

^a Asian Development Bank (ADB). 2020. *Report and Recommendation of the President to the Board of Directors: Proposed Results-Based Loan and Administration of Technical Assistance Grant to India for Strengthening Comprehensive Primary Health Care in Urban Areas Program under Pradhan Mantri Atmanirbhar Swasth Bharat Yojana*. Manila.

^b ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grant to Democratic Socialist Republic of Sri Lanka for Health System Enhancement Project*. Manila.

^c ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Grants and Technical Assistance Grant to the Kingdom of Bhutan for Health Sector Development Program*. Manila.

^d ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Administration of Grant for Additional Financing to the People's Republic of Bangladesh for Urban Primary Health Care Services Delivery Project*. Manila.

^e BAN: *Strengthening Social Resilience Program*.

Source: Asian Development Bank.

Table A3.3: Updated Budget Allocation from the Technical Assistance Facility
(\$ million)

Item	Total	Project 1 ^a	Project 2 ^b	Project 3 ^c	Project 4 ^d	Project 5 ^e	F	G	H	I	J	K
Updated risk category		Low Risk	Low Risk	Low Risk	Low Risk	Complex						
Training, seminars, and conferences	25	0.0	0.0	0.0	0.0		6.25	6.25		6.25	6.25	
Printed external publications	0.0	0.0	0.0	0.0	0.0							
Surveys	405	0.0	0.0	0.0	0.0						243	162
Others	0.0	0.0	0.0	0.0	0.0							

Note: F: Bangladesh; G: Bhutan; H: India; I: Maldives; J: Nepal; K: Sri Lanka.

^a Asian Development Bank (ADB). 2020. *Report and Recommendation of the President to the Board of Directors: Proposed Results-Based Loan and Administration of Technical Assistance Grant to India for Strengthening Comprehensive Primary Health Care in Urban Areas Program under Pradhan Mantri Atmanirbhar Swasth Bharat Yojana*. Manila.

^b ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grant to Democratic Socialist Republic of Sri Lanka for Health System Enhancement Project*. Manila.

^c ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Grants and Technical Assistance Grant to the Kingdom of Bhutan for Health Sector Development Program*. Manila.

^d ADB. 2018. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Administration of Grant for Additional Financing to the People's Republic of Bangladesh for Urban Primary Health Care Services Delivery Project*. Manila.

^e BAN: Strengthening Social Protection and Resilience for Social Impact on COVID-19.

Source: Asian Development Bank.

LIST OF LINKED DOCUMENTS

<http://www.adb.org/Documents/LinkedDocs/?id=55041-001-ConceptPaper>

1. Initial Poverty and Social Analysis