



**Loan 4107/G0799-BAN Flood and Riverbank Erosion Risk Management Investment
Program – Project 2**

**Aide Memoire of the Midterm Review Mission
21–28, 30 May 2023**

I. INTRODUCTION

1. The Asian Development Bank undertook a loan and grant midterm review mission (the Mission¹) from 21 to 28 May 2023 for the Flood and Riverbank Erosion Risk Management Investment Program – Tranche 2 project (Project 2) to:

- (i) review the institutional, administrative, technical, project staffing, environmental, social, economic, gender, and financial aspects of the project based on the assumptions and risks included in the design and monitoring framework (DMF) and the ADB project performance rating;
- (ii) assess the progress on the land acquisition and resettlement process;
- (iii) review the PMO's proposal to use part of the current savings on the loan and grant from not implementing the Salimabad channel closure to possibly finance additional riverbank protection works in the immediate vicinity of the sites of the three subprojects;
- (iv) assess PMO's proposed update of procurement plan and implementation schedule to ensure that the additional scope can be comfortably completed before loan and MFF closing date of 26 June 2024;
- (v) update the contract award and disbursement amounts projections for the remainder of the loan and grant availability period;
- (vi) assess the likely loan and grant savings for partial cancelation;
- (vii) assess the potential effects on the outcome and outputs of the project;
- (viii) review the loan and grant covenants to assess whether they are still relevant or need to be changed, or waived due to changing circumstances;
- (ix) update the project's DMF where change is necessary; and
- (x) delegate the project administration to Bangladesh Resident Mission (BRM).

2. The kick-off meeting was held on 21 May 2023. The Mission had extensive discussions with the PMO of BWDB and members of the institutional strengthening and project management consultant (ISPMC) team. Also, the Mission had a meeting with DG, BWDB on 24 May 2023. A pre-wrap up meeting with the Ministry of Water Resources (MoWR) took place on 28 May 2023 and was chaired by the Additional Secretary (Development Wing) of MoWR. A wrap up meeting with the Economic Relations Division (ERD) took place on 30 May 2023 and was chaired by the Additional Secretary and Wing Chief (ADB) of ERD. The findings of the Mission were discussed

¹ The Mission comprised Mr. Olivier Drieu, Mission Leader, Senior Water Resources Specialist, SAER; Ms. Mio Oka, Director, SAER; Ms. Soma Misa, Procurement Specialist, PFP1; Mr. Brando Angeles, Associate Environment Officer, SAER; Ms. Rachel Mendinueto, Project Analyst, SAER; Ms. Marjana Chowdhury, Water Resources Specialist, BRM; Ms. Nasheeba Selim, Senior Social Development Specialist (Gender), BRM; Ms. Farhat Jahan Chowdhury, Senior Project Officer (Environment); Ms. Kazi Akhmila, Safeguards Officer (Resettlement), BRM; Mr. Md. Sohel Rana, Project Analyst, BRM; Mr. Md. Shohidul Alam, Financial Control Analyst, BRM; Ms. Sinora Chakma, Gender Equality and Social Inclusion Specialist (Consultant), BRM; Mr. Folkert de Jager, First Secretary/Thematic Expert Water Management and Food Security, Embassy of the Kingdom of Netherlands (EKN); and Ms. Neeltje Kielen, Delegated Representative Water, EKN.

during the three meetings. The list of key persons met during by the mission is in **Appendix 1**.

3. This Aide Memoire summarizes the discussions held and understandings reached during the mission. The content of this Aide Memoire is subject to the approval of the higher authorities of the Government of Bangladesh and ADB. **The Mission kindly requests the government to confirm the understandings set out herein by 22 September 2023.**

II. BACKGROUND – THE INVESTMENT PROGRAM

4. Approved by ADB on 26 June 2014, the Flood and Riverbank Erosion Risk Management Investment Program through a multitranchise financing facility (MFF) aims at improving the livelihoods of people in the project area along the Jamuna, Padma, and Ganges rivers in Bangladesh. It will reduce flood and riverbank erosion risks in priority erosion reaches through structural and nonstructural interventions, and institutional and knowledge-based strengthening. It will implement three subprojects comprising climate-resilient flood embankments protecting critical riparian productive areas in central Bangladesh and capacity building initiatives. It will extend successful riverbank protection technologies of the ADB-financed Jamuna-Meghna River Erosion Mitigation Project to other areas, with necessary improvements. The executing agency is the Bangladesh Water Development Board (BWDB) under the Ministry of Water Resources (MOWR). The Department of Disaster Management (DDM) under the Ministry of Disaster Management and Relief is the implementing agency for the community-based flood risk management (CbFRM) activities.

5. The program was originally designed to be implemented over 9 years and financed in three tranches. However, due to Project 1 implementation delays and preparation of the subsequent tranches, exacerbated by coronavirus disease (COVID-19)–induced lockdowns, the government requested that the originally envisaged Tranches 2 and 3 of the MFF have been combined into a single and final tranche (Tranche 2) during the processing of Project 2 in 2021.² The Periodic Financing Request for Project 2 sent by ERD to ADB on 7 March 2021 included also a follow-on project covering the Lower Jamuna and Upper Padma Rivers to be prepared by the government simultaneously to the implementation of Project 2.³ The aim of this follow-on project will be the continuation of river stabilization efforts and expansion of flood risk management in line with the long-term strategic River Stabilization Plan study for the Jamuna, Padma and Lower Meghna Rivers (approved by BWDB on 24 June 2020) and the Bangladesh Delta Plan 2100. Subsequently to this request from ERD, the MFF availability period has been extended by ADB in April 2021, to its maximum of 10 years to complete the remaining activities under the MFF. **The MFF and Project 2 will both close on 26 June 2024.**

6. **Tranche 1 project (Project 1)** (Loan 3138/Grant 0396) was approved on 3 July 2014 for \$80.3 million,⁴ signed on 14 August 2014, and declared effective on 17 September 2014. Tranche

² The Periodic Financing Request for Project 2 was sent by ERD to ADB on 7 March 2021 (ERD Memo No. 09.00.0000.124.24.028.17-46).

³ As agreed with the government in 2021, a follow-on project will prioritize the inclusion of outstanding components originally included in the scope of this MFF: 40 km of flood embankment and 23.5 km of wave protection with concrete blocks along riverbanks.

⁴ The loan amount was for SDR 41.755 million, equivalent to \$65 million at approval. A grant from GoN, fully administered by ADB, was approved with Loan 3138 for \$15.3 million. Due to currency fluctuations, the US Dollar equivalent of Project 1 loan decreased to \$58.2 million, resulting in activities being deferred to Project 2: (i) livelihood development support; (ii) community capacity development support for participatory O&M; (iii) information system development; (iv) environment management and risk mitigation programs; and (v) construction of about 1.7 km of flood embankment. At financial closing, a total of \$71.33 million has been disbursed.

1 was completed on 31 March 2021 and financially closed on 24 October 2021.⁵ The following activities were completed under Tranche 1: (i) construction of a new 17.8 km riverbank protection works was completed using adaptive approach method; (ii) 21.3 km of flood protection embankment were completed considering 100-year probable flood and climate change issues; (iii) 40 community-based disaster management units (CbDMUs) operate disaster-resilience action plan against flood and erosion disasters with 100% of units led by women; (iv) four new regulators were installed; and (v) the long-term strategic River Stabilization Plan study for the Jamuna, Padma and Lower Meghna rivers was approved by BWDB on 24 June 2020.

7. **Tranche 2 project (Project 2)** (Loan 4107/Grant 0799) was approved on 6 September 2021 for a concessional loan of \$157 million and a grant of \$17.89 million from the Government of the Netherlands (GoN), fully administered by ADB. ADB and the government signed the loan and grant agreements on 1 March 2022 which were declared effective on 18 April 2022. Project 2, along with the MFF, will close on 26 June 2024.

8. Key activities under Project 2 include: (i) 30 km of riverbank protection including specifically for the Salimabad river channel closure innovative dredging and bioengineering to provide an offtake into a distributary and enable to reclaim floodplain land and char land,⁶ (ii) 40 km of riverbank protection adaptation works and 6 km of emergency works, (iii) 7.9 km of climate-resilient flood embankment, (iv) an offtake, (v) two regulators, (vi) establishing 160 community disaster management units and developing their capacity, (vii) training 40 disaster units created under Project 1 to enhance sustainability, (viii) establishing 14 community groups for livelihood training programs, (ix) raising awareness on flood and riverbank erosion risk management, and (x) strengthening disaster preparedness and emergency response with a focus on women's participation. Also, Project 2 continues to strengthen the knowledge base and institutional capacity of BWDB and DDM in sustainable asset and strategic management of the rivers through the following activities: (i) support to the office of the Chief Engineer, River Management, BWDB, including drone surveys for O&M needs; (ii) river surveys; (iii) incorporation of knowledge products such as the River Stabilization Plan and site data on BWDB's website; and (iv) update of the river stabilization guidelines. Furthermore, ADB and GoN support the BWDB and through BWDB's consultancy firm (ISPMC package) in conducting a feasibility study for the adaptive stabilization of the Jamuna–Ganges confluence area for a follow-on project and the preparation before 26 June 2024 of the associated necessary draft processing documents by ADB and the government.⁷

9. Summary of the key milestone dates of the MFF, Project 1 and Project 2.

Table 1: Milestone Dates (amounts in \$ million)

Milestones	Amount	ADB Approval	Signing	Effective-ness	Original Loan Closing	Revised Loan Closing	Financial Closing	Disbursement as on 27 May 2023
MFF 0082	L: 255.00 G: 33.19 ^a T: 288.19	26 Jun 2014	12 May 2014 ^c	Not applicable	30 June 2023	26 June 2024	Due within 4 months after loan closing	L: 77.17 G: 15.23 T: 92.40
Loan 3138 / Grant 0396 (Project 1)	L: 65.00 ^b G: 15.30 T: 80.30	3 Jul 2014	14 Aug 2014	17 Sep 2014	30 Jun 2019	31 Mar 2021	24 Oct 2021	L: 57.12 G: 14.21 T: 71.33

⁵ The original loan closing date was 30 June 2019. It was extended twice: (i) until 30 June 2020, approved on 6 November 2018; and (ii) until 31 March 2021, approved on 28 May 2020.

⁶ An accretion in a river, the chars are valuable to the economy as additional cultivable areas.

⁷ Including the preparation of all necessary safeguard documents per ADB SPS 2009, draft DPP, etc.

Milestones	Amount	ADB Approval	Signing	Effective-ness	Original Loan Closing	Revised Loan Closing	Financial Closing	Disbursement as on 27 May 2023
Loan 4107 / Grant 0799 (Project 2)	L: 157.00 G: 17.89 T: 174.89	6 Sep 2021	1 Mar 2022	18 Apr 2022	26 Jun 2024	Not applicable	Due within 4 months after loan closing	L: 20.05 G: 1.02 T: 21.07

G = grant, L = loan, T = total.

^a At approval of the MFF and Project 1, the GoN grant was \$15.3 million; an additional grant of \$17.89 million is provided by GoN for Project 2.

^b Refer to footnote 4.

^c Signing of Framework Financing Agreement.

III. MISSION FINDINGS – IMPLEMENTATION STATUS

A. Progress to date and additional works in lieu of the Salimabad channel closure

10. Performance overview of Project 2.

- (i) **As of 27 May 2023**, actual physical progress of Project 2 reported by the PMO is about 18%, against projected progress of 50% and elapsed project time of 61%. Contract awards amount to \$71.78 million (71% of the baseline target in ADB system) and cumulative disbursements amount to \$21.07 million (27% of the baseline target in ADB system). In the ADB system, the ratings for achieving outputs and safeguards are both at risk, while financial management rating currently is on track.
- (ii) **As of 30 June 2023** (ie: toward the end of dry season), the physical and financial progress of Project 2 were 21% and 14%, against projected financial progress of 55% and elapsed project time of 65%.

11. Structural measures – progress of the works at the 3 subprojects.

Table 2: Works Progress at the 3 Subprojects (as of 30 June 2023)

Package No.	Name of Contractor	Contract Signed on	Progress as of 27 May 2023 (%)	Completion Date	Remarks
Goods					
G-01/JLB-2	CIL-Hongxiang JV	27 Oct 2022	20	13 Mar 2024	Completion in March 2024
G-02/JRB-1	SKAPS Nahee JV	25 May 2022	35	06 Mar 2024	Completed in June 2023
G-03/PLB-1	Nahee	25 May 2022	55	13 Mar 2024	Delivery on hold during flood season. Completion planned before end of 2023.
G-04/adapt.	Dird Felt Ltd	25 May 2022	30	13 Mar 2024	Delivery on hold during flood season. Completion planned before end of 2023.
Works					
W-01/JRB-1	Golam Rabbani Construction Ltd	17 Jan 2023	90	18 Feb 2024	92% completed. Completion planned in Oct 2023
W-02/JRB-1	Golam Rabbani Construction Ltd	26 Jan 2023	1	04 Mar 2024	<10% complete. Completion planned by end of February 2024
W-03/JLB-2	KCEL–BECL JV	13 Feb 2023	0	31 May 2024	11% completed. Completion planned by mid-June 2024

Package No.	Name of Contractor	Contract Signed on	Progress as of 27 May 2023 (%)	Completion Date	Remarks
W-04/JLB-2	MBEL–BECL JV	25 Jan 2023	2	31 May 2024	15% completed. Completion planned by mid-June 2024
W-05/JLB-2	JV. Md Jamil Iqbal – Sk Emdadul Haque Al Mamun	07 Feb 2023	60	31 May 2024	92% completed. Completion planned by end of December 2023
W-06/adapt.	Golam Rabbani Construction Ltd	02 May 2023	30	03 May 2024	35% completed. Completion planned by end of January 2024
W-09/ emergency works	KSA–TTSL JV	16 May 2023	5	31 Dec 2023	32% completed. Completion planned by end of November 2023
W-11 - embankment maintenance	JV. Md Jamil Iqbal – Sk Emdadul Haque Al Mamun	16 May 2023	10	31 Dec 2023	Completed in June 2023

Source: PMO and ISPMC (as of 31 August 2023).

12. **Start-up delays experienced on the goods packages.** Works started late for two reasons outside of the control of the project: (i) a special clearance on a newly GoB imposed ban on the import of geotextile material was required from the Commerce Ministry for the two largest goods contracts, won by suppliers located outside of Bangladesh; and (ii) the delayed opening of back-to-back Letters of Credit, which was tightened by the government to restrict the outflow of foreign exchange, for the other two suppliers located in Bangladesh. Therefore, the supply of geotextile bags (geobags) to the work sites has only started since March 2023. Contract packages G-01, G-02, G-03 and G-04 are expected to be completed by end of March 2024.

13. **Works progress and current issues with contractors.** Due to the late start of the supply of geobags, works has started only since March 2023, when the dry season usually started to end. This notwithstanding, two out of five contracts (packages W-01 and W-05) have since achieved good progress. As of 31 August 2023, packages W-02 and W-04 have made first progress: (i) package W-02 was awarded to the same contractor as package W-01 who focused on completing package W-01 leaving insufficient time to initiate major progress under package W-02 prior to the onset of the monsoon season; while (ii) package W-04, despite the contractor's delayed mobilization, has achieved 15% progress. Package W-01 was substantially completed (92%) by end of June 2023. Package W-03 has achieved low progress (11%). Package W-05 is nearly completed (92%). For packages W-06 and W-09 even though only awarded in May 2023, progress has reached 35% and 32% respectively. Works under package W-11 for embankment maintenance has been completed on 30 June 2023. The remaining works are expected to significantly continue from October/November 2023 after the end of the monsoon season.

14. The construction of the 7.9 km of flood embankment (subproject JRB-1), completing the works of subproject PLB-1 depends on land acquisition and resettlement of some 30 ha of land through one land acquisition case. The land acquisition process and the updating of the resettlement plan are progressing concomitantly. The land acquisition process will be reaching a further key milestone (ie: issuing of Section 4 notice) in early September 2023 as further to the mission, the ISPMC has completed the field survey and updated and finalized the resettlement plan. Its submission to ADB is awaiting the completion of the joint verification survey associated with the land acquisition process completed at the end of August 2023. The approval of the Ministry of Land is currently expected by end of September 2023 (instead of July/August 2023 at the time

of the mission), followed by completion of the process before November 2023. After including the design of a fish pass (completed by BWDB in August 2023) for one of the two regulators, the bidding document for works package W-10 (construction of embankment and two regulators) has been prepared and is expected to be advertised by 10 September 2023. This package is not on the critical path for implementation, as (i) the contractor can start part of the activities on already acquired land (1.3 km), and (ii) carrying out all the earthworks is well possible within one dry season. The land acquisition process contains inherent risks beyond the control of the PMO and BWDB, as the District Commissioners (DC) offices and the Ministry of Land are involved in the process. **During the mission, the Mission requested that the full amount of the necessary counterpart funds be made available to the PMO before 15 July 2023 (para. 0) and for the government to expedite the land acquisition process.**

15. **Technical issue related to Salimabad channel closure.**

- (i) Project 2 originally was to close a 15 km long channel and fill in this branch of the Jamuna River to (i) protect the floodplain against erosion, (ii) reclaim some 6,000 ha of char land from the river corridor, and (iii) provide a stable offtake for the Ghior Khal distributary. However, due to large-scale unforeseen morphological changes in this highly dynamic river system, this channel has significantly widened since the feasibility study undertaken in 2018/19 and is now the dominant channel of the left Jamuna branch. Hence, as previously detailed during the Inception Mission fielded in February 2023, this channel closure is no longer technically feasible.⁸ Thus, the planned works packages related to the Salimabad channel closure (W-08 and W-17 amounting to about \$23.1 million) will no longer be implemented. Also, preparatory activities planned under service packages C11 and C12 have been cancelled.
- (ii) Instead of closing the channel, about 6 km of additional riverbank protection are now required to protect the currently severely eroding riverbank in this area (para. 32). The decision about the location of the offtake and its construction (previously included in package W-17) are now deferred to the follow-on project.

16. **Additional works proposed by the PMO. (Map in Appendix 2)**

- (i) Instead of the no longer technically feasible Salimabad channel closure, to maximize the use of the loan and grant monies (para. 41), and further the initial discussions held with the Mission during the February 2023 Inception Mission, PMO is proposing to undertake 17.5 km of additional underwater riverbank protection works (with geobags and initial wave protection works, similar to the works currently being implemented under W-01 to W-05 and G-01 to G-04 packages) in the immediate vicinity of the three subprojects.⁹
- (ii) **Site locations.** Three locations will be extending existing works: (i) the extension of the works being implemented through W-04 package by approximately 2.5 km upstream (new subproject JLB-1 – this requires an Addendum to the approved EIA as it is slightly outside the original subproject area), (ii) the extension of the works

⁸ Among other factors, a developing shortcut channel from opposite Benotia across the central char has exacerbated this unforeseen widening and contributed to the change in the distribution of flow between channels in the left Jamuna branch. The limited predictability in this highly dynamic the river system induced by a multitude of factors was recognized in the River Stabilization Plan (developed under Project 1) and the Bangladesh Delta Plan 2100, hence reinforcing the necessity to follow an adaptive approach to the management of this complex river system. The risk of such changes occurring in this highly morphological dynamic river system was stated in the DMF of Project 2 under Outputs: “*River morphological changes exceed the anticipated range leading to delays in implementation.*”

⁹ Placement of geobags on slopes has proven to be sustainable for a number of years (ie: similar works at sites under Project 1 implemented in 2016 still rely on placed geobags).

under package W-02 by approximately 7 km upstream to protect an Export Processing Zone and a power plant from riverbank erosion while reclaiming approximately 2,500 ha of land from the river corridor (subproject JRB-1), and (iii) the extension of the works under W-05 package by approximately 2 km upstream (subproject PLB-1). The fourth site is located along the Salimabad channel and entails protecting approximately 6 km from the currently severe erosion associated with the developed channel initially intended to be closed (subproject JLB-2). The additional work length is somewhat compensated by the reduction by approximately 2 km of the work length under package W-03, as the channel in this area has been completely silted up (subproject JLB-2).

- (iii) **Designs – bidding documents – due diligences.** As of 31 August 2023, PMO and BWDB have completed the designs and the preparation of the draft bid documents. The revised draft addendum to the EIA was provided to ADB on 17 August 2023 (instead of June 2023 as agreed during the mission) and ADB comments on the revised Addendum to the EIA has been sent to PMO on 5 September 2023. The economic due diligence is anticipated to be completed by ISPMC/PMO by 6 September 2023.¹⁰
- (iv) **Procurement.** The procurement will be through new goods and works packages because (i) existing contracts cannot be sufficiently varied to entirely cover all the new works; and (ii) existing goods contracts already provide additional quantities due to the start-up delays experienced (ie: some work packages for ‘temporary wave protection’ were cancelled due to slow progress of the land acquisition process). Furthermore, to reduce the procurement risk: (i) all new goods and works contracts will only be advertised nationally and through e-GP; and (ii) the financial amount of all packages enables each of them to be awarded either directly by BWDB or MoWR. This significantly reduces the procurement time as well as the uncertainties associated with goods to be imported into Bangladesh (ie: requirements to obtain an import exception from the Commerce Ministry and establishing customs and import duty procedures). The procurement will proceed concomitantly to the revision of the DPP, intending that contracts can be awarded by 30 November 2023 and prior the Bangladesh general elections scheduled to take place by early 2024 (para. 32).
- (v) **No land acquisition is needed.** Furthermore, these works will not require any land acquisition, hence PMO agrees that under normal working conditions, the work can be completed before the loan closing date of 26 June 2024.
- (vi) **Cost estimate.** PMO has estimated that the cost of these additional works amounts to \$32 million on the loan.
- (vii) **Changes to the DMF.** The impacts of these changes on the project’s DMF have also been assessed during the mission (para. 48).
- (viii) **DPP revision.** The PMO was to submit the revised Detailed Project Proforma (DPP) to MoWR for approval immediately after the conclusion of this mission (para. 72).

¹⁰ **Environmental due diligence.** The extension of works into the new subproject JLB-1 does not cause additional impacts on the river as the works are in the same river reach, opposite and upstream to existing subprojects. ADB comments on the revised Addendum to the EIA has been sent to PMO on 5 September 2023, then PMO will finalize, and its disclosure on ADB’s and BWDB’s respective websites is anticipated in September 2023. The Addendum to the EIA will be included in the documentation to be provided by PMO to the Department of Environment in December 2023 to renew the annual environmental clearance for Project 2. **Economic analysis due diligence:** without the Salimabad channel closure but with the additional riverbank protection works in JRB 1, JLB 2 and PLB 1, together with the investment in JLB 1, the economic viability of the overall program will be enhanced: the EIRR of the overall program is expected to increase from 13.4% to 16.9% (this significant increase in the overall EIRR is mainly due to the inclusion of revetment works at Saydabad (in JRB 1) to protect an EPZ from riverbank erosion).

- (ix) **Mission's findings and assessment.** The Mission discussed in detail with PMO these proposals, including due diligences, procurement, and implementation schedule, and has overall assessed them as feasible by PMO and BWDB despite the limited time remaining to implement Project 2. However, the Mission requested that:
- (a) the PMO starts before 22 June 2023 all the procurement for these additional goods and works packages (ie: all the packages need to be advertised using e-GP while the approval by MoWR of the revised DPP is ongoing). (subsequently to the mission, the revised DPP approval by MoWR is anticipated to be started in early September and approval to be received by end of November 2023);
 - (b) The PMO conducts before 18 June 2023 additional meaningful stakeholder consultation for all four additional sites (this was completed in June 2023, and the results have been included in the revised draft Addendum to the EIA submitted by PMO to ADB on 17 August 2023).
 - (c) After obtaining from ADB non-objection on the revised draft Addendum to the EIA, the PMO will discuss its contents with the Department of Environment (DoE) as part of the Government's annual renewal process of the EIA; and
 - (d) The work packages start early using surplus quantities of geotextile bags supplied under contracts G-01 to G-04 (for works related to the cancelled wave protection and from savings resulting from modified implementation designs).

These proposals have also been discussed by the Mission and PMO with DG, BWDB. The Mission reminded the PMO and BWDB that all activities that cannot be completed under Project 2 before its closure as well as the closure of the MFF (both on 26 June 2024) will have to be completed by BWDB with the government's own funds or included in the follow-on project to be prepared by the government before 26 June 2024.

17. **Nonstructural measures progress.**

- (i) ISPMC package contract was signed between BWDB and the consultancy firm on 21 August 2022 and is valid till 31 May 2024; ISPMC package includes (i) providing support to PMO and SMOs; (ii) developing knowledge-based elements pertaining to integrated river stabilization planning; and (iii) preparation of a follow-on project. The Mission advised that PMO extends the ISPMC contract until 26 June 2024 to coincide with the project closing date. The PMO submitted to ADB an associated request for non-objection on 30 May 2023 for ADB review. A revised variation order was provided to ADB on 10 July 2023 for review. ADB anticipates the PMO with comments by 8 September 2023.
- (ii) The MoU between BWDB and DDM was signed on 6 February 2023 for activities to be carried out by DDM under Project 2. As the time of the mission, the package was to be advertised by 4 June 2023. Subsequently it was advertised on 4 July 2023 (para. 29) and the complete set of Submission 1 documents was submitted to ADB on 21 August 2023 – ADB's review is ongoing.
- (iii) The land acquisition and resettlement process needs to be completed prior to the start of the construction of 6.6 km out of 7.9 km of remaining flood embankment in subproject JRB-1. PMO will engage a resettlement NGO to assist with the implementation of the resettlement plan, including livelihood activities, also covering Project 1 activities (combined packages C-10 and C-04). The combined packages

(now C-10) was advertised on 10 July 2023.

Table 3: Progress of the Consulting Services

Package No.	Name of Contractor	Contract Signed on	Actual Progress as of 27 May 2023 (%)	Expected Progress on 30 June 2023 (%)	Completion Date	Remarks
C-01	ISPMC	21 Aug 2022	20	25	31 May 2024	The Mission recommended PMO to extend this contract until 26 June 2024. A revised variation order was submitted by PMO on 10 July 2023.
C-05	IWM	10 Nov 2022	30	40	10 Jun 2024	Anticipated completion in June 2024
C-08	CEGIS	03 May 2023	15	30	31 May 2024	Anticipated completion in May 2024
C-21	Mr. Mahbob Ul Kabir	07 Mar 2023	20	25	31 May 2024	Anticipated completion in May 2024

CEGIS = Center for Environmental and Geographic Information Services, ISPMC = Institutional Strengthening and Project Management Consultant, IWM = Institute of Water Modelling.

18. **The follow-on project.** The preparation of the follow-on project is included under the ISPMC package and has been initiated. The key features and progress as of 27 May 2023 are summarized below and the detailed work schedule and planning for project preparation and processing of the follow-on project is in **Appendix 3**:

- (i) **Site selection.** The initial site selection report has been submitted by ISPMC to PMO in February 2023. Further to the joint PMO-BWDB-MoWR-ADB Mission's decision during this mission for the PMO to carry out the additional works (para. 32), the site selection will be updated by ISPMC and PMO, and presented to BWDB, DDM, ADB, and EKN during a workshop in September 2023.
- (ii) **Ongoing field surveys.** The ISPMC is currently conducting field work for 15 km of new flood embankment upstream of Aricha, including placing and georeferencing benchmarks, identifying the alignment, conducting topographical and geotechnical investigations, and the resettlement survey. Riverbank protection works and offtake structures will be ultimately refined further to the site conditions shortly after the 2023 monsoon season.
- (iii) **Safeguards.** The anticipated safeguard categories per ADB SPS 2009 are: category A for both environment and involuntary resettlement, and category C for indigenous people. Therefore, an EIA (with a mandatory public disclosure of 120 days) and resettlement plan(s) are to be timely prepared for review and approval by ADB. The EIA has been initiated and its draft is expected to be submitted to ADB for review before 31 October 2023; its public disclosure is expected to start on 15 December 2023.
- (iv) **Climate change aspects.** The Climate Risk Assessment (CRA) and the Climate Change Assessment (CCA) have been initiated and their draft are expected to be submitted to ADB for review by 10 January 2024.
- (v) **Financing modality and plan.** The follow-on project will use the standard loan modality and is anticipated to be financed with an ADB loan of about \$200 million (with possible additional financing in the future if it performs well) and government counterpart funds (to cover costs related to land acquisition, taxes and duties, interest). EKN has verbally informed the Mission that the GoN may provide a cofinancing grant.

- (vi) **Fact-finding mission.** The ADB (jointly with EKN) fact-finding mission is scheduled to be fielded in February 2024.
- (vii) **Loan approval** is anticipated by end of October 2024 for implementation of the works and activities to start from the onset of the dry season 2024/25, ensuring a seamless continuation to Project 2 and the MFF.

B. Procurement matters

19. **Overview.** Procurement for Project 2 is to be carried out in accordance with ADB's Procurement Policy (2017, as amended from time to time) and the Procurement Regulations for ADB Borrowers (2017, as amended from time to time). All the works, goods, and consulting services packages are to be procured by PMO, apart from the goods and consulting services package for community-based flood risk management activities which are under DDM's responsibility. At the time of the mission, 13 packages were already awarded and 3 packages were recorded in ADB system during the mission. Subsequently to the mission, 2 packages were recorded, bringing the overall total to around \$78.35 million, \$71.92 million of which is ADB financing share. Of the 18 packages, 5 are goods (G-01, G-02, G-03, G-04, G-06); 9 are works (W-01, W-02, W-03, W-04, W-05, W-06, W-09, W-11, W-16) and 4 are consulting services packages (C-01, C-05, C-21, C-08). **Table 4** lists the awarded packages.

Table 4: Contract Amount of Awarded Packages (as of 31 August 2023)

Package	Contract Awarded (\$ million)	ADB share (\$ million)	Contract no. in ADB system	
			L4107	G0799
G-01: Geotextile bag supply for Upstream of Chauhali (15.50 km)	16.99	15.80	0005	--
G-02: Geotextile bag supply for Enayetpur (7 Km) & Benotia (3.50 Km)	11.41	10.61	0001	--
G-03: Geotextile bag supply for Harirampur extension (4 Km)	5.19	4.82	0002	--
G-04: Geotextile bag supply for Adaptation Works of completed works under JMREMP & FRERMIP Tranche-1 Project	6.68	6.21	0003	--
G-06: PMO Office Equipment*	0.02	0.02	0018	--
Sub-Total	40.29	37.47		
W-01: Benotia underwater riverbank protection with geotextile bags (3.50 km)	1.99	1.85	0008	0004
W-02: Enayetpur underwater riverbank protection with geotextile bags (7 km)	2.89	2.68	0009	0005
W-03: Upstream Chauhali underwater riverbank protection with geotextile bags (7.5 km)	3.30	3.07	0010	0006
W-04: Upstream Chauhali underwater riverbank protection with geotextile bags (8 km) including 1 km of dredging on the underwater slope	5.73	5.33	0007	0003
W-05: Underwater riverbank protection with geotextile bags at Harirampur Extension (4 km)	2.32	2.16	0011	0007
W-06: Adaptation works for riverbank protection with geotextile bags of	3.28	3.05	0014	0010

Package	Contract Awarded (\$ million)	ADB share (\$ million)	Contract no. in ADB system	
			L4107	G0799
completed works under JMREMP and FRERMIP Tranche-1 Project				
W-09: Emergency Works	2.15	2.00	0015	0011
W-11: Maintenance of Embankment Constructed under FRERMIP Tranche 1	0.64	0.60	0016	0012
W-16: Construction of O & M Sheds for Kojjuri Embankment**	0.08	0.07	0021	0013
Sub-total	22.36	20.80		
C-01: Institutional Strengthening and Project Management	14.15	12.31	0004	0001
C-05: River survey (including bathymetric, ADCP and float tracking) and multi beam echosounder survey (4 years)	1.32	1.15	0006	0002
C-21: Procurement Specialist	0.06	0.06	0012	0008
C-08: Erosion Prediction	0.16	0.14	0013	0009
Sub-total	15.70	13.65		
TOTAL	78.35	71.92		

Total may not exactly add-up due to rounding.

*Contract signed on 12 June 2023 (after the mission).

** Contract awarded on 24 June 2023 and signed on 12 July 2023 (after the mission).

20. ADB completed the prior review of four goods and two works packages. However, PMO requested ADB for fresh review of G-05 considering the various changes made on the goods master bidding document. Sections 8 and 9 of the bidding document of the G-05 package are currently being reviewed by ADB. All the consulting services packages are under prior review. Four packages (C-01, C-05, C-08, and C-21) have been awarded. EKN reviewed two TORs (C-07 and C-15) and their comments were provided to PMO for finalization. It was agreed during the mission that packages C-02 and C-03 were to be combined into one package, similarly for packages C-04 and C-10. Submission 1 for C-02 package was provided by PMO on 14 August 2023, while C-10 package was advertised on 10 July 2023 and C-16 package on 5 July 2023. Submission 1 for C-10 and C-16 is expected to be sent to ADB by early September 2023. The TOR for C-13 are currently being prepared by the PMO. **Table 5** shows the review type and status of the packages.

Table 5: Status of Goods, Works and Consulting Services Packages (as of 27 May 2023)

Package	Review Type	Status
Goods Packages		
G-01: Geotextile bag supply for Upstream of Chauhali (15.5 km)	Prior	Completed; awarded
G-02: Geotextile bag supply for Enayetpur (7 km) & Benotia (3.5 km)	Prior	Completed; awarded
G-03: Geotextile bag supply for Harirampur extension (4 km)	Prior	Completed; awarded
G-04: Geotextile bag supply for Adaptation Works of completed works under JMREMP & Project 1	Prior	Completed; awarded
G-05: Geotextile bag supply for Adaptation Works of Project 2	Prior	ADB review ongoing for Sections 8 & 9.
G-06: Vehicles including 4 nos. pick up & 4 nos. Jeep vehicles	Post (Sampling)	Package to be deleted due to GoB ban on purchasing vehicles
G-07: Office Equipment	Post (Sampling)	Package was tendered but no bidders found responsive, re-tendered (Completed, awarded as of 20 August)
G-08: Survey Equipment	Post (Sampling)	Package to be deleted due to GoB ban on purchasing vehicles

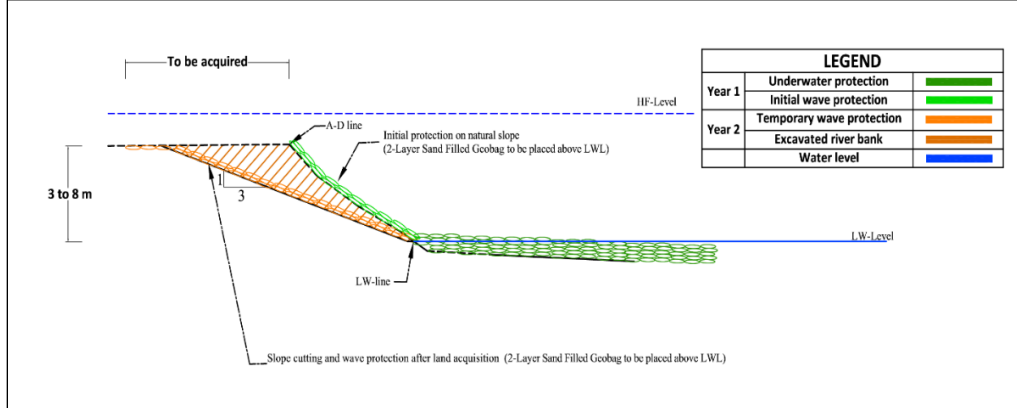
Package	Review Type	Status
G-09: Office Equipment for DDM	Post (Sampling)	Bidding under process
Works Packages		
W-01: Benotia underwater riverbank protection with geotextile bags (3.5 km)	Post (Sampling)	Completed; awarded
W-02: Enayetpur underwater riverbank protection with geotextile bags (7 km)	Post (Sampling)	Completed; awarded
W-03: Upstream Chauhali underwater riverbank protection with geotextile bags (7.5 km)	Prior	Completed; awarded
W-04: Upstream Chauhali underwater riverbank protection with geotextile bags (8 km) including 1 km of dredging on the underwater slope	Prior	Completed; awarded
W-05: Underwater Riverbank protection with geotextile bags at Harirampur Extension (4 km)	Post (Sampling)	Completed; awarded
W-06: Adaptation works for riverbank protection with geotextile bags of completed works under JMREMP and Project 1	Post (Sampling)	Completed; awarded
W-07: Adaptation Works for riverbank protection with geotextile bags of Project 2	Post (Sampling)	To be started after implementation of W-01 to W-05
W-08: Jamuna River dredging and Salimabad channel choking	Prior	To be deleted due to morphological change
W-09: Emergency Works	Post (Sampling)	Completed; awarded
W-10: Shahjadpur Embankment Construction from chainage 21.300 to 29.200 (7.9 km)	Post (Sampling)	Tender preparation ongoing by PMO; procurement will be carried out simultaneously to land acquisition process
W-11: Maintenance of Embankment Constructed under FRERMIP Tranche-1	Post (Sampling)	Completed; awarded
W-12: Benotia riverbank temporary wave protection (3.5 km)	Post (Sampling)	To be deleted due to delays in required pre-work activities (details are in para.23)
W-13: Enayetpur riverbank temporary wave protection (7 km)	Post (Sampling)	
W-14: Upstream Chauhali temporary wave protection (15.5 km)	Prior	
W-15: Harirampur temporary wave protection (4 km)	Prior	
W-16: Construction of O&M sheds for Kojjuri embankment (7 sheds)	Post (Sampling)	Retendered (Completed, awarded as of 20 August)
W-17: Offtake structure- Ghior Khal	Prior	Package to be deleted due to morphological change
W-18 Fish Sanctuaries	Prior	Package to be deleted due to delays in required pre-work activities
Consulting Services Packages		
C-01: Institutional Strengthening and Project Management Consultant	Prior	Completed, awarded
C-02: Community-based flood risk management support	Prior	PMO revising the TOR; to be combined with C-03 (Submission 1 currently under ADB's review)
C-03: Community capacity development support for participatory O&M	Prior	Package to be deleted; to be combined with C-02
C-04: Livelihood development support	Prior	Package to be deleted; to be combined with C-10
C-05: River survey (including bathymetric, ADCP and float tracking) and multi beam echosounder survey (4 years)	Prior	Completed; awarded
C-06: Management information system development	Prior	Package to be deleted
C-07: Environment management and risk mitigation programs	Prior	PMO to address ADB and EKN comments (advertised as of 20 August 2023)
C-08: Erosion prediction	Prior	Completed; awarded
C-09: Geotechnical investigation	Prior	Package to be deleted
C-10: Resettlement solutions through NGO	Prior	PMO revising the TOR; to be

Package	Review Type	Status
		combined with C-04 (evaluation ongoing as of 20 August 2023)
C-11: Model study for Salimabad channel closure	Prior	Package to be deleted
C-12: Offtake physical modelling	Prior	Package to be deleted
C-13: Topographic Survey	Prior	TORs and bidding documents under preparation by PMO
C-14: Monitoring of pilot works (grout mattresses installed in Tranche 1)	Prior	Package to be deleted
C-15: Environment/ biodiversity and social baseline impact monitoring and fisheries study	Prior	PMO to address ADB and EKN comments (remaining comments were sent by ADB to the PMO on 4 September 2023)
C-16: Socio-economic study of the char people	Prior	TORs and bidding documents under preparation by PMO (evaluation by PMO ongoing as of 4 Sept 2023)
C-17: External monitoring of social safeguards	Prior	PMO to advertise (evaluation by PMO ongoing as of 4 Sept 2023)
C-18: External monitoring of Environmental safeguards	Prior	
C-19: External monitoring of procurement activities	Prior	
C-20: External monitoring of Financial Management	Prior	
C-21: Procurement Specialist	Prior	Completed; awarded
C-22: Resettlement Specialist	Prior	Package to be deleted as packages are to be included under ISPMC package
C-23: Gender Specialist	Prior	
C-24: Environmental Specialist	Prior	

21. **Works.** Works comprise of 18 packages to be procured using the e-government web portal (e-GP) method. These are for riverbank protection works (five packages for underwater riverbank protection works, two packages for adaptation works, one package for emergency works, five packages for permanent wave protection works), Salimabad channel closure works and offtake structure (two packages), embankment construction, embankment maintenance, O&M sheds, and fish sanctuaries (each one package). Out of these, the five packages for underwater works, one adaptation works package (for pre-existing works) (W-06), the emergency works package (W-09), the embankment maintenance package (W-11) have been awarded and works have started on site. The O&M shed construction package (W-16) was re-tendered (and awarded by 20 August 2023). (As of 31 August 2023, works package W11 is complete, and W-01 and W05 are over 90% complete).

22. The initial riverbank protection works packages (W-01 to W-05) include protection of the upper riverbank (above low water level) from wave erosion through placement of geobags on the existing slope. Following completion of the land acquisition process, the upper riverbank would need to be cut and graded to a geotechnically stable slope (through W-12 to W-15), however this second step is now not possible anymore as the initial protection works is delayed, which in turn induces delays to the land acquisition process for these small strips of land. However, placement of geobags on slopes has proven to be sustainable for a number of years (ie: similar works at sites under Project 1 implemented in 2016 still rely on placed geobags).

Figure 1: Works under Year 1 (prior to land acquisition) and Year 2 (after completion of Land Acquisition process)



23. Work packages related to the Salimabad channel closure works (W-08 and W-17) are no longer technically feasible to implement due to large-scale unforeseen morphological changes that have taken place around this location since the preparation of the project in 2019/2020. Also, other packages (wave protection W-12 to W-15, fish sanctuaries W-18) are not possible anymore due to delays in required pre-work activities such as design and land acquisition.¹¹ Of the original 18 works packages, as of 27 May 2023, 8 packages have been awarded, 1 package retendered, 2 packages are yet to be tendered, and 7 packages are to be cancelled. (As of 31 August 2023, package W-16 has been awarded (after re-tendering) and package W-01 and W-05 are over 90% complete).

24. **Goods.** Out of the nine goods packages of the procurement plan, four have been awarded as of 27 May 2023. All the letters of credit (LC) received by ADB have been cleared. Delivery of the goods for four packages (G-01 to G-04) commenced on 28 February 2023 (G-02), in mid-March 2023 (G-03 and G-04), and in mid-April 2023 (G-01). Out of the remaining five goods packages, two (G-06 and G-08) will be cancelled. The G-06 package was not approved by the government during the DPP approval process due to the current recent ban of the government on the procurement of vehicles. Similarly, the package G-08 (survey/speed boats) which included purchasing motor engines was initially approved in the DPP but then was rejected by MoWR during their November 2022 review of the funds to G-07 be allocated to this project. The remaining goods package for the procurement of geotextile bags (G-05) is required for works to be implemented after the 2023 flood season with targeted delivery on site to start from November 2023 (subsequently to the mission, the draft bidding document for G-05 incorporating lessons from the similar packages previously tendered out and awarded and the summary of key changes has been sent to ADB for non-objection). The two small packages for office equipment for PMO and PMU-DDM (G-07 and G-09) were anticipated by the PMO to be awarded by end of March 2023, however, the sole bidder for G-07 was evaluated by the PMO as non-responsive, and the package has been re-tendered (contract signed on 12 June 2023); for the package G-09, tendering is ongoing.

25. **Consultancy services.** The procurement of consultancy services is carried out by PMO for 23 packages and by DDM PMU for one package. Out of the 24 packages, as of 27 May 2023

¹¹ The fish sanctuaries are planned to be identified and designed through the delayed C-07, only after completion of which the tender process for associated works can be started. Land acquisition for wave protection works can only be started following the stabilization of the underwater riverbank through the delayed packages W-01 to W-05.

and to date, four have been awarded (C-01 for ISPMC, C-05 for river survey, C-08 Erosion Prediction, and C-21 Procurement Specialist).

26. **C-01 ISPMC package** is currently until 31 May 2024 only, the Mission strongly suggested for PMO to process a no-cost variation extending ISPMC's contract until 26 June 2024 (para. 17 (i)). This is to ensure that the PMO will have full support until the end of the project on 26 June 2024. In addition, to support the development of a new design guideline and increase the understanding of the BWDB design office on the behavior of launching aprons, including the need for strengthening works after deployment ('adaptive works'), the ISPMC will conduct physical hydraulic model studies on the aspects of launching and stability of geobags from remaining contingencies under their contract. At the time of the mission, the ISPMC were to provide their proposal for the studies by 15 June 2023 to the PMO for review and approval. The model studies will be conducted with participation of BWDB (and potentially River Research Institute staff with BWDB's visits to the facilities for discussion on the program and initial results, and decision on additional investigations. The model study including participation of BWDB staff will be financed from the contingencies of the ISPMC contract. This will be incorporated by PMO in ISPMC's contract through a contract variation.

27. As of 27 May 2023, four packages (C-17 to C-20 external monitors) were to be tendered out by PMO by 4 June 2023 (subsequently, to date the EOIs received are being evaluated by the PMO). To reduce some of the remaining procurement to be undertaken by PMO and to ensure timely mobilization, the Mission and PMO agreed for several service packages to be added to the ISPMC contract instead of being separate packages: (i) MIS development (C-06), (ii) conducting geotechnical investigations (C-09), (iii) monitoring of pilot works installed under Project 1 (C-14), and (iv) individual consultants (C-22 to C-24). For C-06, the government has commenced developing MIS, originally planned under Project 1, therefore the ISPMC will focus on populating the existing systems with data, including embankment assets to be surveyed by LiDAR under package C-13.

28. In addition, four packages (C-3, C-4, C-11 and C-12) are to be cancelled: package C-03 will be combined with C-02, and C-04 with C-10. C-11 and C-12 are either no longer required due to the large-scale morphological changes in the vicinity of the Salimabad channel closure area (i.e., C-11 for numerical model study for Salimabad closure and C-12 for physical model study for Ghior Khal offtake). As of 27 May 2023, the PMO was finalizing the ToRs for C-07 for Environmental management and C-15 for Environmental baseline study to address the comments received from ADB and EKN (remaining comments were sent by ADB to PMO on 4 September 2023), and C-10 resettlement NGO (para. 20) following the merging of packages, and C-19 External monitoring of procurement activities to include the post (sampling) review. For C-02, the NGO is expected to be mobilized by November 2023, while the contract with the resettlement NGO is expected to be awarded before the end of 2023 with implementation during the 2024 dry season. As of 27 May 2023, TORs for C-13 and C-16 were under preparation by the PMO. (Subsequently, as of 31 August 2023, C-10 and C-16 to C-20 are being evaluated by the PMO. C-07 has been advertised. The TOR for C-13 are being prepared by the PMO).

29. **Activities under DDM.** Regarding the CbFRM activities to be implemented by the PMU of DDM, the MoU between BWDB and DDM was signed on 6 February 2023. As agreed during the mission, packages C-02 and C-03 have been combined under one single package. With ISPMC's support, DDM revised the TOR of the CbFRM package C-02 to include elements of participatory O&M, and then incorporated comments received from ADB. The Mission agreed that this package will be restricted to NGOs as indicated in the procurement plan, use the QCBS 80:20 modality,

and that the type of proposals will be for simplified technical proposals (STP). PMU has provided ADB with (i) assurance that at least 6 qualified NGOs can apply for this package, and (ii) detailed justification of the changes (i.e., from 90:10 to 80:20 and from FTP to STP). Also, the Mission informed that PMU may apply a modified (simplified) recruitment procedure to reflect the capacity of the competing NGOs where the evaluation criteria reflect the unique qualifications of the NGOs including: (i) history of work with local communities and evidence of satisfactory performance; (ii) familiarity with participatory development approaches; (iii) committed leadership and adequate management; and (iv) capacity to co-opt beneficiary participation. (Subsequently to the mission, the PMO has shared Submission 1 with ADB on 19 August 2023 – ADB’s review is ongoing).

30. **Post (Sampling) Review.** The Project Administration Manual (PAM) specifies that post (sampling) review will be carried by ADB out after 30% and 70% of contracts are awarded. During the mission, the Mission requested PMO to promptly inform ADB on achieving the award of 30% and 70% equivalent of total ADB financing amount for ADB to start conducting the post sampling review. Total contract amount awarded to date is around \$ 71.92 million representing around 41% of the total ADB and GoN financing of \$174.89 million. ADB may start conducting random post sampling reviews of procurement processes and contract awards at any time. The Mission reminded PMO that if any of the post-review packages is assessed by ADB as non-eligible for ADB financing, ADB may refuse to finance that particular package, which would then have to be financed entirely by the government. For packages under post review (sampling), the Mission requested PMO to provide ADB with a certified summary sheet reporting on the main aspects of the bid evaluation and contract award at the time of each contract award as indicated in the PAM. It was agreed during the mission that the external monitor for procurement monitoring activities will undertake the two post (sampling) reviews. To date, PMO has not yet informed ADB that the 30% have been reached for the post-sampling review to be started.

31. **Procurement Plan.** During the mission, the PMO provided the revised procurement plan reflecting all the required changes to ADB of the February 2023 mission. The Mission will then process the revised procurement plan for internal approval and when approved will disclose it on the ADB’s website. The weblink will be shared with PMO as soon as it is available. The Mission reminded PMO to comply with the arrangements (method, review, bidding procedure, and bidding document) specified in the approved procurement plan, and to seek ADB’s prior concurrence to any further updates if needed. The changes in the procurement plan include:

- (i) vehicles including 4 pick-up trucks & 4 Jeep vehicles (G-06): package to be deleted;
- (ii) office equipment for PMO (G-07): package to be renumbered to G-06 following deletion of the vehicles package and rename to PMO-BWDB Office Equipment;
- (iii) survey equipment (G-08): package to be deleted due to the current recent ban of the government;
- (iv) office equipment for PMU of DDM (G-09): package to be renumbered to G-08 and renamed to PMU-DDM Office Equipment;
- (v) cancellation of all packages associated with the Salimabad channel closure (i.e., two work packages: W-08 and W-17 and two consultancy packages: C-11 and C-12);
- (vi) cancellation of packages dependent on other pre-conditional works (i.e. four work packages: W-12 to W-15) – some of these activities may be carried out by BWDB with government funds after completion of the project as the DPP is valid till June 2025;
- (vii) cancellation of work package W-18 that depends on identification and design of works through the delayed C-07 package;

- (viii) revising the amount of W-10 from \$6.11 million to \$6.81 million to reflect BWDB's latest schedule of rates and add the provision for the fish pass (as per email request of PD on 20 August 2023 concurred by ADB);
- (ix) inclusion of DDM as procuring entity for DDM office equipment (G-08) and the CbFRM package (C-02);
- (x) Community-based flood risk management support (C-02): to change proposal type from FTP to STP;
- (xi) merging of C-02 and C-03 into one package;
- (xii) merging of C-04 and C-10 into one package;
- (xiii) Resettlement solutions through NGO (C-10): to change proposal type from BTP to STP;
- (xiv) cancellation of C-06, C-09, C-14, C-22, C-23 and C-24 packages now planned to be undertaken under the ISPMC package;
- (xv) five additional goods packages; and
- (xvi) six additional works packages.

32. **Procurement for the Additional works (instead of Salimabad channel closure).** The PMO proposed to replace the Salimabad channel closure and ancillary works by 17.5 km of additional riverbank protection works in the immediate vicinity of the subprojects sites to use large part of the current estimated 'savings' (para. 16). PMO proposed a total of 11 additional packages (5 goods and 6 works) (**Table 6**): all additional packages will be nationally advertised, 1S1E, using eGP and relatively small size packages (ie: no need of CCGP approval) to expedite this process for the works to start in November 2023 (start of dry season). The Mission concurred to these proposals. The additional works packages will follow the W-03 and W-04 bidding documents previously prior reviewed and approved by ADB. During the mission, it was agreed that PMO will provide the bidding document for one of the additional goods packages to ADB by 15 June 2023 for review as it will be the first goods package to be advertised nationally and using eGP. (To date, the PMO is yet to submit the first e-GP goods package to ADB for review). Per para. 16 (ix), it was requested by the Mission and agreed that all procurement activities for the additional work packages is to take place concomitantly to the revision of the DPP to ensure that all works can be awarded latest in November 2023 and completed prior to the end of Project 2 on 26 June 2024.

Table 6: Additional Packages for the Additional Works

Package Number	Description of Additional Packages	Estimated Cost (\$ million)
G9/2023-24	Supply of geobags for W-21	5.30
G10/2023-24	Supply of geobags for W-22	2.70
G11/2023-24	Supply of geobags for W-23, W-24	3.80
G12/2023-24	Supply of geobags for W-23, W-24	2.70
G13/2023-24	Supply of geobags for W-25	2.70
W21/2023-24	Underwater riverbank protection with geotextile bags at u/s Enayetpur (Belkuchi) (from 0.00 to km 6.00)	3.60
W22/2023-24	Underwater riverbank protection with geotextile bags at u/s of Old Dhaleshwari offtake (from 0.00 to km 2.30)	2.40
W23/2023-24	Underwater riverbank protection with geotextile bags at d/S of Solimabad (0.00 to km 3.00)	2.20
W24/2023-24	Underwater riverbank protection with geotextile bags at d/S of Solimabad (3.00 to km 6.00)	2.20
W25/2023-24	Underwater riverbank protection with geotextile bags at d/s Maluchi (from 0.00 to km 3.00)	1.80
W26/2023-24	Emergency works	2.70

Package Number	Description of Additional Packages	Estimated Cost (\$ million)
G9/2023-24	Supply of geobags for W-21	5.30
G10/2023-24	Supply of geobags for W-22	2.70
G11/2023-24	Supply of geobags for W-23, W-24	3.80
G12/2023-24	Supply of geobags for W-23, W-24	2.70
G13/2023-24	Supply of geobags for W-25	2.70
	TOTAL	32.00

Source: PMO.

33. **Data Security.** The Mission reminded the PMO staff to maintain strict confidentiality of information about procurement matters. Participation in bid evaluation committee and consultant selection committee meetings should be strictly limited to the committee members only, and bid and evaluation documents should always be stored in locked cabinets with restricted access. Also, the PMO's Consultant Management System (CMS) password should be used by only one person. Each CMS account should be registered in the name of the real user. Computers storing project data should be password-protected, and assistants held accountable for data confidentiality.

C. Project management matters

34. **Project implementation arrangements.** The Project Steering Committee oversees project implementation, and guides and resolves implementation issues that require higher level interventions. A Dhaka-based PMO is established within BWDB to implement the project, apart from the CbFRM activities. There are three Subproject Management Offices (SMOs), one for each of the subprojects (Kaitola, Tangail and Manikganj). A PMU is established in DDM to implement the CbFRM-related activities.

35. **PMO/SMO Staffing.** The Mission reviewed with the PMO the status of staffing assignment and recruitment status of the staff positions and officers in the PMO and SMOs. The Mission noted the significant reduction from the original BWDB staff deputation and staffing requirement committed when the loan and grant were signed to align with the approved DPP and to reflect the current status of the project. The PMO proposed revised staffing to be allocated to the project now only indicates 37 regular positions (**Table 7**). The following positions were reduced in the PMO: (i) two deputy project directors to one; (ii) four executive engineers to two; (iii) two subdivisional engineers to one; and (iv) three senior accounts assistants to one. For Kaitola and Tangail SMOs: (i) two subdivisional engineers to one; and (ii) three sub assistant engineers to two. The work assistants for Tangail and Manikganj SMOs were reduced from six to two, while for Kaitola SMO from six to three. In addition to the reduction of positions, the following positions were removed during the approval of the DPP: (i) 3 assistant engineers (1 in each of the 3 SMOs); (i) 2 revenue surveyors (1 in PMO and one in Manikganj SMO); (ii) 1 system analyst in PMO; (iii) 1 programmer in PMO; (iv) 1 assistant programmer in PMO; (v) 1 accounts officer in PMO; and (vi) 1 data entry operator in PMO. Following the reduced staffing allowed per the DPP, only 10 positions are currently vacant (2 in PMO, 6 in Kaitola SMO and 2 in Manikganj SMO). The Mission notes that the Deputy Project Director has been appointed in March 2023 and most of the vacant positions in Kaitola SMO are being assumed under the Sirajganj Division. **Table 7** summarizes the revised staffing requirement while details are in **Appendix 4**. The PAM will be updated to reflect the revised PMO and SMO's staffing accordingly to match the government's approved DPP.

Table 7: Status of Staffing Requirements

Position	No. of Staff		Status
	in PAM	in approved DPP	
PMO (Deputation from BWDB)			
Project Director (Additional Chief Engineer or Superintending Engineer)	1	1	1 filled
Deputy Project Director (Superintending Engineer)	2	1	1 filled
Executive Engineer (or equivalent rank)	4	2	2 filled
Subdivisional Engineer	2	1	1 filled; (by promotion of Asst. Engr. on 15 Aug 2023)
Assistant Engineer	2	2	0 filled
Assistant Director (Land Revenue)	1	1	1 filled with specialty in land revenue
Revenue Surveyor	1	0	0 filled
Systems Analyst	1	0	0 filled
Programmer	1	0	0 filled
Assistant Programmer	1	0	0 filled
Deputy Director (Accounts)	1	1	1 filled
Accounts Officer	1	0	0 filled
Senior Accountants Assistants	3	1	1 filled
Data entry operator	1	0	0 filled
Sub-Total	22	10	8 filled
Kaitola SMO (Deputation from BWDB) – presently being run by Sirajganj Division			
Executive Engineer	1	1	0 filled; position assumed by Sirajganj Division
Subdivisional Engineer	2	1	1 filled
Assistant Engineer	1	0	0 filled
Sub Assistant Engineers	3	2	2 filled
Senior Accounts assistant	1	1	0 filled; position assumed by Sirajganj Division
Data entry operator	1	1	
Revenue surveyor	1	1	1 filled; position assumed by Sirajganj Division
Work assistant	6	3	
Sub-Total	16	10	4 filled; but vacant positions assumed by Sirajganj Division
Tangail SMO (Deputation from BWDB)			
Executive Engineer	1	1	1 filled
Subdivisional Engineer	2	1	2 filled
Assistant Engineer	1	0	0 filled

Position	No. of Staff		Status
	in PAM	in approved DPP	
Sub Assistant Engineers	3	2	2 filled
Senior Accounts assistant	1	1	1 filled
Data entry operator	1	1	1 filled
Revenue surveyor	1	1	1 filled
Work assistant	6	2	2 filled
Sub-Total	16	9	10 filled
Manikganj SMO (Deputation from BWDB)			
Executive Engineer	1	1	1 filled
Subdivisional Engineer	1	1	1 filled
Assistant Engineer	1	0	1 filled
Sub Assistant Engineers	2	2	2 filled
Senior Accounts assistant	1	1	0 filled
Data entry operator	1	1	0 filled
Revenue surveyor	1	0	1 filled
Work assistant	6	2	2 filled
Sub-Total	14	8	8 filled
TOTAL	68	37	30 filled

Source: PMO.

36. **Position of Chief Engineer (CE) River Management for main rivers of central Bangladesh.** The Mission was informed that this position has now been filled by BWDB and met briefly the CE, River Management (Mr. Md. Abdul Basit) who has been assigned full time and will start assuming his role and responsibilities from 28 May 2023. The CE will *inter-alia* (i) move forward/promote the BWDB-approved River Stabilization Plan (developed under Project 1) and (ii) coordinate with forthcoming projects from World Bank in the north and JICA (on a few tributaries), and the future follow-on ADB project (to be prepared by PMO with ISPMC's support before June 2024). The Mission reminded PMO that the role and responsibilities of the CE are also to include the ones stated in the Loan Covenant 30. The Mission requested that the PMO shares with the Mission by 5 June 2023 the summary of the role and responsibilities of the CE for comments and concurrence. (To date, this action is yet to be undertaken by PMO). The Mission was informed that Office of the CE has now 7 staff, including 3 female staff. ISPMC will continue to develop the capacity of the Office of the CE.

37. **Training.** The PD informed the Mission that awareness training for monitoring of environmental activities was conducted on 13 January 2023 for the contractors of SMO Tangail. The other two SMOs (Kaitola and Manikganj) have received similar training. The Mission informed the PMO that BRM is planning to conduct four disbursements 'clinics' this year at the division level. These trainings will discuss ADB's advance fund procedure, statement of expenditure expense review, and documents retention procedure for all ADB-administered loans and grants. The Mission will share relevant information of the proposed training in due course and requested PMO to coordinate with BRM for other financial management specific training. The Mission requested that at least a one-day training be organized in Dhaka for all the PMO, SMOs, and PMU-DDM accountants and other key staff and discuss the details of ADB requirements for maintenance of advance accounts, as well as financial audit requirements.

38. **Contract awards and disbursements.** For the last quarter of 2022 and first quarter of 2023 and as of 30 June 2023, the ADB rating for Project 2 is *at risk* due to low cumulative contract

Total Contract Award	59.65	Total Disbursement	34.04
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Table 14: G0799 Projections (original)

Year	Contract Award					Disbursement					
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	
2022	-	-	10.58	1.66	12.24	-	-	2.12	2.35	4.47	
2023	2.67	0.22	0.73	1.68	5.30	2.42	2.7	1.64	2.21	8.97	
2024	0.35	-	-	-	0.35	2.63	1.82	-	-	4.45	
Total Contract Award					17.89	Total Disbursement					17.89

Table 15: G0799 Actual Achievements (as of 31 May 2023)

Year	Contract Award					Disbursement					
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	
2022	-	-	11.07	0.62	11.69	-	-	-	1.02	1.02	
2023	0.51	0.26			0.77	-	-			-	
2024											
Total Contract Award					12.46	Total Disbursement					1.02

Table 16: G0799 Actual Achievements (as of 31 August 2023)

Year	Contract Award					Disbursement					
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	
2022	-	-	11.07	0.62	11.69	-	-	-	1.02	1.02	
2023	0.48	0.29	0.002	-	0.77	-	1.01	0.62	-	1.63	
2024											
Total Contract Award					12.46	Total Disbursement					2.65

39. **CA and D projections.** The initial agreed projections (page 14 of the PAM) needed to be updated considering that Project 2 became effective only in April 2022. The revised CA and D projections were agreed with PMO, reflected and locked in ADB system (eOps). The revised values need to be reflected in an updated version of the PAM. The Mission explained to PMO that ADB monitors quarterly the project performance based on CA and D as well as other criteria, namely safeguards, financial (such as APFS requirements), and technical. The Mission provided PMO with the detailed formula and criteria. The Mission emphasized that PMO needs to be very vigilant in reaching these targets on a quarterly basis to keep the project rating “*on track*” in the ADB system. The Mission informed PMO that to keep the project rating “*on track*”, cumulative CA and D should reach at least 90% of the CA and D targets, or at least that one of the two values reaches 90% of the target while the other value be at least 75% of the target in addition to the project fully complying with the other performance criteria. The project is also “*at risk*” for Q1 2023. The PMO and the Mission agreed to update the CA and D baseline projections in ADB system (eOps) after this mission to reflect the most current status of the procurement of works, consultancy services, and goods at the time of this mission.

40. **Reasons for start-up delays and low CA and D achievements to date.** The project experienced start-up delays at its onset as the government categorized the project as C (i.e., no counterpart funds available) in mid-2022; hence during this period, PMO was not able to award any contracts. Subsequently, the project was recategorized as B (i.e., 75% of counterpart funds) later in 2022 by the government. During the February 2023 Inception Mission the Mission received assurances from the PMO and MoWR that counterpart funds are fully available for this project for the current FY and next FY (ending in June 2024), however during this mission, the Mission was informed that counterpart funds are still insufficient, especially to cover (i) GoB’s share of some invoices; and (ii) some costs pertaining to the land acquisition needed to construct the 7.9 km flood

embankment. Therefore, the Mission reiterated the request for MoWR and BWDB to allocate sufficient government funds to this project as a matter of priority as the remaining time to implement Project 2 is limited (i.e.: project closure is on 26 June 2024). DG, BWDB assured the Mission that any BWDB unused funds by the end of this FY (ie: ending on 30 June 2023) from any of the about 120 other projects currently being implemented by BWDB will be allocated as a priority to Project 2. Another reason of low CA and D to date is that bids of geobags and works received and now awarded were about 5% to 62% lower than the engineer's estimates (**Table 17**) exacerbated for a few goods packages by the government ban on import of geotextile into Bangladesh and delays in opening back-to-back letters of credit (para. 12). Furthermore, since the cost estimates prepared in 2020/21, significant USD/BDT currency fluctuations have occurred (i.e., \$1 = 84.7 BDT in 2021 compared to about \$1 = 107 BDT as of 27 May 2023) resulting in a depreciation of about 26% of the value of the BDT compared to the USD. All goods and works contracts are denominated in BDT, which means that loan disbursements are less than expected. The Mission fully recognized that the USD/BDT currency fluctuations are fully outside of the project control.

Table 17: Estimated Amount in Procurement Plan against Actual Contract Amount Awarded

Package	Amount in Procurement Plan (\$ million)	Amount of Contract Awarded (\$ million)	Difference (\$ million)	% Difference
G01: Geobags upstream Chauhali	21.16	16.99	4.17	20%
G02: Geobags Benotia and Enayetpur	12.39	11.41	0.98	8%
G03: Geobags Harirampur extension	6.32	5.19	1.13	18%
G04: Geobags Adaptation earlier works	8.29	6.68	1.61	19%
G-06: PMO-BWDB Office Equipment	0.06	0.02	0.04	61%
W-01: Benotia underwater riverbank protection with geotextile bags (3.50 km)	3.14	1.99	1.15	37%
W-02: Enayetpur underwater riverbank protection with geotextile bags (7 km)	4.48	2.89	1.59	36%
W-03: Upstream Chauhali underwater riverbank protection with geotextile bags (7.5 km)	5.35	3.30	2.05	38%
W-04: Upstream Chauhali underwater riverbank protection with geotextile bags (8 km) including 1 km of dredging on the underwater slope	9.20	5.73	3.47	38%
W-05: Underwater Riverbank protection with geotextile bags at Harirampur Extension (4 km)	4.48	2.32	2.16	48%
W-06: Adaptation works for riverbank protection with geotextile bags of completed works under JMREMP and FRERMIP Tranche-1 Project	6.00	3.28	2.72	45%
W-09: Emergency Works	3.64	2.15	1.49	41%
W-11: Maintenance of Embankment Constructed under FRERMIP Tranche 1	0.89	0.64	0.25	28%
W-16: Construction of O&M sheds for Kojjuri embankment (7 sheds)	0.13	0.08	0.05	42%
C-01: Institutional Strengthening and Project Management Consulting Services	15.06	14.15	0.91	6%
C-05: River Survey	1.66	1.32	0.34	20%

Package	Amount in Procurement Plan (\$ million)	Amount of Contract Awarded (\$ million)	Difference (\$ million)	% Difference
C-08: Erosion Prediction	0.42	0.16	0.26	62%
C-21: Procurement Specialist	0.07	0.06	0.01	8%
TOTAL	102.74	78.35	24.39	32%
ADB share		71.92		

41. **Current 'savings' on the loan and grant.** Based on the above and further to the Salimabad channel closure not being technically feasible anymore (para. 23 – value of W-08 and W-17 and ancillary packages (W-12 to W-15 and W-18) is about \$30.41 million), the PMO estimated that current 'savings' on loan are about \$70 million (including the amount of \$27 million for contingencies in the overall project financing plan which are very unlikely to be needed). Also, at the time of the mission, there are about \$4.53 million of 'savings' on the GoN grant that the Mission subsequently discussed further with EKN on 27 June 2023 for EKN to possibly consider cofinancing other packages. It was agreed between the Mission and EKN for the following packages to be additionally financed under the grant: (i) C-08 - Erosion prediction; (ii) (combined C-02 & C-03 to reap high synergies between the 2 packages) - Community-based Flood Risk Management and Community-based O&M; and (iii) C-07 - Environmental management. The total cost of these additional packages is estimated to amount to \$0.68 million (excluding taxes and duties). Hence, the estimated 'savings' on the grant by project closure in June 2024 is estimated to be about \$3.84 million. EKN indicated that a partial cancellation on the grant amount was not necessary at this stage.

42. **Partial cancellation of \$30 million on the current (concessional) loan.** Further to the assessment of the 'savings' (about \$70 million on the loan) and as despite the cost estimate of \$32 million for the additional works (para. 32), the Mission proposes to proceed with a partial cancellation of \$30 million of this concessional loan as it was assessed and agreed with PMO that this amount is not possible to be used under the project before its closure on 26 June 2024. Also, this will enable the financial projections in ADB system to be revised down to avoid the project being rated at risk in the ADB performance rating system on a quarterly basis.

43. **Contract Award (CA) and Disbursement (D) revised projections.** The Mission and the PMO reviewed the CA and D projections till closure of the project on 26 June 2024. and the PMO proposed to revise the quarterly projections as per **Table 18** after the partial cancellation of \$30 million of the loan would have been processed.

Table 18: Revised Contract Awards and Disbursement Projection After Partial Cancellation of \$30 million on the Loan (\$ million)

	Contract Awards					Disbursement				
	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Total	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Total
L4107	0.20	24.00	21.00	22.00	67.20	5.00	15.00	28.50	44.50	93.00
G0799	0.25	1.00	1.00	2.89	5.14	1.00	1.50	4.00	8.74	15.24
Total	0.45	25.00	22.00	24.89	72.34	6.00	16.50	32.50	53.24	108.24

Source: PMO estimates (17 August 2023 – to be revised further by PMO before 20 September 2023).

44. **Government budget allocation.** Project 2 was initially categorized by the government as 'C' (i.e., 0% of GoB funds) in mid-2022, then it was re-categorized to 'B' (i.e., 75% of GoB funds). During the mission, the Mission received assurances from the PD of the PMO and MoWR that counterpart funds are fully available for this project for the current FY and next FY (ending in June

2024), however, the project implementation is still currently hindered by some shortage of counterpart funds (para. 40).

45. **Financial management action plan implementation.** The Mission with the PMO reviewed the status of the financial management time-bound action plan of the PAM (page 32). The details of the status as of 27 May 2023 are in **Appendix 5** whilst the key points are summarized below.

- (i) **Staffing.** The PMO informed the Mission that the original staffing proposed by PMO in the PAM was not approved by the Ministry of Finance during the DPP approval. Currently, the PMO has one Deputy Director for accounts and one senior account assistant. Currently, both the senior account assistant for Tangail and Manikganj SMOs have been filled, while one account assistant has been assigned to Kaitola SMO upon approval of the higher authority of BWDB in March 2023. As per their ToR, ISPMC has filled an experienced financial management (FM) expert to support the PMO, SMOs and PMU of DDM.
- (ii) **Financial management capacity building.** The Mission informed PMO that disbursement clinics are being arranged by BRM and strongly encouraged PMO to coordinate with BRM to attend a project-specific financial management training.
- (iii) **Internal audit.** The PMO informed the Mission that the payment system in BWDB has their internal pre-checking procedure in different tiers before payment, so additional internal audit is deemed not essential by PMO. The Mission clarified that the pre-audit of expenses is not the function of internal audit. Internal audit assesses whether the controls are operating effectively. Therefore, the Mission recommended keeping the mitigating action as agreed with the PMO/BWDB during project processing and advised that the FM expert of the ISPMC provides capacity support to BWDB's internal audit.
- (iv) **Financial reporting.** The Mission reminded PMO to include the financial information (including variances) in the quarterly project reports (QPRs), the project financial statements in the annual report, and ensure to submit to ADB the required APFS prior to the deadline.
- (v) **Information systems.** The Mission reiterated the importance of automating all the accounts, including receipts and payments under the loan and grant, and financial reporting.

46. **Timely payment of invoices.** During the mission, the Mission noted that PMO has a backlog of invoices for review and approval linked to some understaffing and some requests for clarification on invoices related usually to small percentages of the total amount of the invoices. The Mission requested that the PMO (i) expedites the recruitment/assignment of more accountants to their team; (ii) reviews timely invoices; and (iii) pays about 80 or 90% of the amount of the invoices while the third party responds to the clarifications requested. (Subsequently to the mission, the PMO has fielded additional accounting staff in June 2023 and recently submitted WAs amounting to around \$780,000 under the grant and around \$7.4 million under the loan).

47. **Audited Project Financial Statement (APFS).** APFS for fiscal year 2022 was agreed by ADB to be deferred since the project became effective only in April 2022 and no expenses were incurred up to the end of the fiscal year. The Mission reminded PMO that the next APFS which is due in December 2023 shall cover expenses incurred from project effectiveness (April 2022) up to the end of the fiscal year 2023.

48. **Progress towards achieving the DMF targets and outcome and current risks.** The current status of the DMF indicators for the outcome and outputs of the project are in **Appendix**

6. Progress towards the outcome indicators are currently on-track to be achieved, while some indicators for the three outputs are currently at risk of not being achieved fully:

- (i) Output 1b. 7.9 km of climate-resilient flood embankment constructed, rehabilitated, or upgraded against 100-year probable floods.
Main current risks: land acquisition process has been initiated but its completion may be delayed. Not achieving this output indicator would significantly impact the indicators a and b of the outcome.
- (ii) Output 1c. 2 regulators and other hydraulic structures (i.e., fish passes) installed.
Main current risk: 1 regulator is dependent on completing land acquisition process.
- (iii) Output 1d. 1 channel closure with “building with nature” approach.
Main current risk: Salimabad channel closure is not technically feasible anymore. Achieving this indicator is very unlikely.
- (iv) Output 1g. 12 fish sanctuaries established.
Main current risk: preparation can be undertaken under the loan and grant implementation period and may be achievable in 2025 with government counterpart funds. The study for identification and design of the fish sanctuaries (C-07) is not yet awarded and the outcomes of the study are expected only in mid-2024. This does not allow to tender and implement the works within the remaining project implementation period.
- (v) Output 2d. Long-term river stabilization and river management master plans refined to include charlands development and submitted for endorsement by BWDB.
Main current risk: Detailed outline is achievable, however a refined study is no longer achievable as it depends on outcomes from other studies under the project, such as the environmental baseline survey (C-15) and the socio-economic study of char people (C-16) which PMO has not yet awarded and for which the results can now only be expected early 2024 at best. The ISPMC will prepare an addendum incorporating the latest findings by June 2024.

49. **Road map of the MFF and policy framework review.** The Mission reviewed with the PMO the policy framework adopted by the government which defines the actions, responsibilities, and targeted timeframe of implementation under the ADB’s investment program. As the position of the CE River Management (para. 36) has been filled by BWDB, the road map and policy framework is well on track. The detailed current status of the road map and policy framework is in **Appendix 7**.

50. **Loan covenants review.** The Mission reviewed the compliance with the loan and grant covenants (per Schedule 4 of the Loan Agreement and Article IV of the Grant Agreement) and the status as of 27 May 2023 is recorded in **Appendix 8**. For the loan, the Mission noted compliance with 26 covenants to be satisfactory, two have been complied with (clauses 3 and 4), three are partially complied with (clauses 2, 9 and 31), and two are not yet due (clauses 11 and 25). For the grant, three are currently being complied with and one is not yet due. The Mission reminded PMO to closely monitor regularly the status of all covenants and ensure full compliance throughout the project implementation period.

51. **Reports and Disclosure Requirements.** The PMO is to submit to ADB the following reports: (i) quarterly progress reports (QPRs) in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets of the DMF, (b) key

implementation issues and solutions, (c) updated procurement plan, (d) updated implementation plan for the next 12 months; (iii) semi-annual safeguard monitoring reports, and (iv) a project completion report within 6 months of physical completion of the project.

52. **Quarterly progress reports (QPR).** The Mission reminded PMO of the requirement to report on overall progress of the project every quarter by submitting QPRs to ADB within 30 days from the end of each quarter. The Mission discussed the key contents of the QPR to ensure that it is prepared in an efficient and timely manner. The QPRs will contain relevant project progress, safeguards, and financial information (such as financial reports and disbursement reports including variance analysis of physical and financial progress, together with the status of the Financial Management time-bound Action Plan). The Mission reminded PMO to submit the QPRs timely and that QPRs are to be submitted to ADB until the loan closing date. Also, the Mission reminded the PMO that the outline of QPR is Attachment 3 of the PAM. PMO submitted to ADB the QPR (Jan to Mar 2023) on 9 May 2023. (Subsequently to the mission, the QPR for the April - June 2023 period was submitted on its due date on 31 July 2023).

53. **Consolidated annual reports.** The Mission also reminded PMO that annual reports should be submitted to ADB every year by 31 January and should include the following: (i) progress achieved by output as measured through the indicator's performance targets, (ii) key implementation issues and solutions, (iii) updated procurement plan, and (iv) updated implementation plan for the next 12 months. The first consolidated annual report is to be submitted by PMO to ADB in January 2024.

54. The reporting requirements of the PMO are summarized in **Table 19**.

Table 19: Reporting Requirements

Report	Frequency (Due Date)
Quarterly Progress Report (including GAP implementation progress)	Quarterly (30 days from end of previous quarter)
GAP Quarterly Progress Report	Quarterly (15 days from end of previous quarter)
Environmental Monitoring Report	Semi-annual (31 January and 31 July)
Social Safeguards Monitoring Report	Semi-annual (31 January and 31 July)
Audited Project Financial Statements	Within 6 months of end of fiscal year
Consolidated Annual Report	Annually (31 January)
Facility Completion Report	Within 6 months of physical completion of the project

55. **Project management information system (MIS) and asset management system (AMS).** The Mission reminded the PMO and ISPMC to prioritize developing and expanding the knowledge based on river stabilization, including, but not limited to, data collection, management information system, asset management system, and O&M aspects, which are extremely important for the financial sustainability of the current and future investments. BWDB having operational and up-to-date MIS and AMS is important for BWDB to manage and maintain more efficiently accordingly to a risk-based approach BWDB's flood and erosion mitigation assets (not only at project level but BWDB-wide) – aspects also essential for ADB and EKN for the financial sustainability in the medium- and long-terms. The Mission emphasized that an adequate up-to-date operational asset management system is a cornerstone of flood and erosion risk management for financial sustainability and institutional memory for this type of assets and investments. ISPMC supports PMO in developing these systems.

56. **Updating of Project Administration Manual.** The Mission will update the PAM to document all the required changes (key person from EA, role of DDM PMU, staffing requirement,

contract award and disbursement projections, reporting requirement, procurement plan, gender, etc.) and share the updated PAM with the PMO.

D. Environment and Social Safeguards

57. The project is categorized as A for Environment, A for Involuntary Resettlement, and C for Indigenous Peoples. The Mission reminded the PMO of the contractor's roles and responsibilities for implementing ADB's Safeguard Policy Statement, 2009 (SPS), as per the loan agreement.

58. **Environmental safeguards.** For all awarded contracts under Output 1, PMO and SMOs are currently ensuring implementation of environmental management plan (EMP) set forth in the environmental impact assessment (EIA). With support from ISPMC, PMO has undergone awareness trainings for SMOs of Tangail, Koitola and Manikgonj in February and March 2023. This type of trainings promotes knowledge on managing environmental, health and safety risks.

59. **Addendum to the EIA for the additional works.** The Salimabad channel closure works (package W-08) and construction of offtake structure- Ghior khal (package W-17) were removed from the scope of Project 2. The budget for these packages will be broadly allotted to 17.5 km of additional river protection works, which need to conduct environmental due diligence and assessment. On 17 May 2023, a first draft of Addendum to the EIA for the additional works was submitted by PMO to ADB for review. Key comments on the Addendum to the EIA were discussed during the mission are summarized: (i) EMP is not reflected in the document, (ii) limited discussions of environmental baseline information, and (iii) to follow more closely the usual format of an addendum (with clear references to the approved EIA). The Mission will share detailed comments with the PMO by 5 June 2023 for further revisions. The Mission recommended the PMO to conduct more public consultations at the additional sites. PMO confirmed that the additional public consultations will be fully carried out by 18 June 2023. Results of the public consultations will be then incorporated in the draft Addendum to the EIA. Next draft of the Addendum was to be submitted by the PMO to the Mission for review by 5 July 2023 (it was received on 17 August 2023). For the EMP to be prepared in the Addendum to incorporate lessons from the implementation of the EMP so far, the Mission advised PMO to include this updated EMP in the bidding documents of the additional packages to ensure contractor's commitment to environmental safeguards.

60. **Environmental Monitoring Report (EMR).** PMO is required to prepare and submit semi-annual EMRs to ADB for review and disclosure.¹² In March 2023, the first semi-annual EMR was disclosed on the ADB's website.¹³ (Subsequently to the mission, the second semi-annual EMR was submitted on 31 July 2023 for the January-June 2023 period; ADB's comments were sent to PMO on 10 August 2023 for PMO to revise; the revised EMR was received from the PMO on 3 September 2023). PMO will continue to monitor beneficial environmental impacts and other environmental safeguards activities of Project 1, and include observations and findings as part of the EMR of Project 2. During the mission, it was agreed that PMO was to advertise the external monitoring expert by 4 June 2023 to verify monitoring information of Project 2 in line with the implementation of construction EMPs and compliance with relevant government rules and requirements. The expert is to verify information of the draft semi-annual EMRs, and work on an intermittent basis. For the subsequent EMRs, PMO will submit semi-annual EMRs to ADB after

¹² Semi-annual EMRs are expected to be submitted every 31st July (covering January to June) and 31st January (covering July to December).

¹³ Disclosed EMR: <https://www.adb.org/projects/documents/ban-44167-015-emr>

validation and having addressed all comments received from the expert. (Subsequently to the mission, the package was advertised and evaluation by the PMO is ongoing).

61. **Environmental Clearance Certificate (ECC).** Bangladesh Environment Act (1995) and Environment Conservation Rule (1997) categorized as Red Category and a detailed EIA including an EMP was undertaken to fulfill the requirements of the government. The environmental ECC is renewed annually. BWDB will include the new river protection works in its application when applying for renewal of the ECC. The Mission reminded the PMO to liaise with DoE to determine any further requirements for the additional works, which are not part of the ECC. During the mission, the Mission requested the PMO to inform the Mission on the outcomes of the discussions with DoE by 2 July 2023. (to date, PMO remains to inform ADB of the outcomes of their discussion with DoE).

62. **Social safeguards.** The project is category A for involuntary resettlement and category C for no impacts on Indigenous People. The Resettlement Framework (RF) prepared for Project 1 has been updated for Project 2 in May 2021. One draft Resettlement Plan had been prepared and updated for Shahjadpur flood embankment in May 2021 in accordance with the RF. For this section, an estimated 34.1 ha of land acquisition will be required. The ISPMC has been supporting PMO to update the RP. This required land has been proposed under single LA case, which will require Ministry's approval.

63. The Mission identified this project as potentially high risk to fulfill involuntary resettlement safeguards requirements due to the very narrow timeframe with readiness and resources allocation. As of 27 May 2023, the land acquisition budget was yet to be approved and transferred to the project by GoB despite the PMO having initiated necessary steps to allocate funding within this financial year to ensure advance for land acquisition. To date, the delay in budget provision by the government hinders ADB in fielding the Safeguards Special Mission initially planned to take place in July/August 2023.

64. Also, the NGO recruitment process was yet to be initiated. The ISPMC has fielded a social safeguards team to update the RP and first draft was expected to be prepared by 15 June 2023 for ADB review. It was agreed to merge the NGO package and ILRP package for more efficient use of time and resources. (To date, PMO is evaluating the proposals received). An agreed timeframe for the involuntary resettlement and income-livelihood restoration activity is in **Appendix 9** for the PMO to strictly follow.

65. **Grievance Redress Committee (GRC).** As of 27 May 2023, GRCs were yet to be established at local level and an information campaign was yet to be carried out among the affected persons (APs) to disseminate details about the PMO-level GRC, and the Mission reminded PMO to undertake these activities as a priority. (To date, these activities remain to be progressed by the PMO).

66. **Social safeguard reporting.** The project will continue semiannual social safeguards reporting until a facility completion report is produced by ADB. The ISPMC safeguards consultant will support PMO to prepare the social safeguards monitoring reports until an NGO is recruited for RP implementation. Once the NGO is engaged by PMO, all data required for the report is expected to be generated by the NGO.

67. **Social Safeguards Agreed Actions**

- (i) Updating of RP by PMO with ISPMC's support was to be completed by 15 June 2023 (completed in June 2023).

- (ii) All required committees including the grievance committee and property valuation committee are to be formed in line with RP requirements by 30 June 2023 (to date, the committees have not yet been formed).
- (iii) Timely submission of semiannual monitoring reports to ADB.
- (iv) RP implementing NGO and external monitoring consultant were to be advertised by PMO by 4 June 2023. (To date, PMO is evaluating the proposals received for both packages).
- (v) Contract award for the 7.9 km flood embankment can be initiated without limiting safeguards compliance as guided in RP with provision of sectional notice to proceed to contractor for sites that are ready to works to be implemented.

68. **Gender.** The project is categorized as effective gender mainstreaming (EGM) and has a Gender Action Plan (GAP), which reflects all project outputs maximizing women's benefit from the project interventions. During the mission, the Mission appreciated that the project generated 633 (1.17%) women labor days out of 53,949 unskilled labor days for construction. Eight bidding documents were prepared and incorporated the core labor standards, including equal pay for work of equal value, occupational health and safety, water supply, sanitation, segregated shelter, and facilities. The project conducted training on gender-responsive occupational health and core labor standards with 64 (all are male) SMO staff and the contractors' representatives. The Mission revised one DMF gender-related performance indicator (1e) "*160 community-based disaster management units established (minimum of 35% women-led) and developing of their capacity*" to "*110 community-based disaster management units established (minimum of 35% women-led) and developing of their capacity*" considering the project's current status of hiring the NGO under DDM. The NGO recruitment is still under process, and expected to be on engaged by end of November 2023, given the remaining time to implement the intended activities; the Mission and PMO decided to reduce the number. The GAP has been revised accordingly and the revised GAP is in **Appendix 10**.

69. Similarly, the Mission advised to cancel the provision of hiring a gender specialist (C-22) at PMO level, considering the time constraint of the recruitment process and the remaining project time, which is insufficient to recruit a new person. Instead, it was agreed that the existing ISPMC gender specialist will be responsible for the GAP implementation with the support of the PMO-assigned gender focal point. The Mission reviewed the ToR and person-months and assessed that the ToR cover all the activities to complete the GAP implementation, and that there are still 9.25 person-months inputs up to May 2024, and thus there is no need to increase inputs.

70. However, since none of the NGOs were on board as of 27 May 2023, most GAP activities were yet to be started. Thus, the Mission strongly suggested to PMO that until the NGOs are engaged, the ISPMC gender specialist continues with other activities, such as updating the existing BWDB's gender-specific module by including awareness on gender-based violence and community-based redress mechanism and gender sensitization training for the BWDB staff (GAP activity 7), arrange 7 trainings for capacity building of BWDB staff (GAP activity 8), and arrange training for the Chief Engineer River Management staff in by end of September 2023. The GAP implementation status as of 20 May 2023 is in **Appendix 11**.

71. **Risks linked to forthcoming elections.** The PMO informed the Mission of the forthcoming general election planned to take place by January 2024. The elections may have some impacts on the project implementation. Experience from previous elections indicates that security measures may be in place. These would hinder in particular road traffic and therefore cause delays to both the supply of construction material to site and the traveling of workers and site supervisors to site. It can therefore be expected that the implementation of works (and its related supply of

goods packages) could significantly be hindered. However, as the election is expected to be toward the start of the construction season, considerable time (from about February to June 2024) is likely to be available for construction without impacts from the elections. The Mission requested the PMO to expedite all procurement before the elections.

72. **DPP revision.** The implementation of changes to the project requires revision of the DPP. In accordance with current government rules, the revision of the DPP is possible at ministry level as the nature of the works, the project area, and the overall project cost do not change significantly. This is the case for the planned revisions discussed during this mission. The Mission strongly recommended that the PMO expedites the process of revising the DPP with BWDB and MoWR for MoWR's approval before 30 November 2023. To avoid further delays in relation to contract award, the Mission requested that the PMO starts the bidding process for the additional works and goods packages concomitantly to the DPP revisions and its approval process.

IV. CONCLUSIONS AND PRIORITY ACTIONS

73. The following actions were agreed during the mission (**Table 20**).

Table 20: List of Priority Actions with Timeframe

Action	Who	Completion Date with updated date if action is pending as of 5 Sept 2023
Project Management Staffing:		
Provide summary of the CE's roles and responsibilities	PMO	5 Jun 2023 (12 Sep 2023)
Fill-up all vacant positions in the PMO and SMOs	BWDB	30 Jun 2023 (30 Sep 2023)
Procurement:		
PMO to send final revisions to procurement plan for review and approval and update in ADB system	PMO ADB	15 Jun 2023 (8 Sep 2023)
PMO to expedite all remaining procurement before the start of the elections process		15 December 2023
PMO to provide ADB with a certified summary sheet reporting on the main aspects of the bid evaluation and contract award together with the contract copies.	PMO	30 Jun 2023 for all awarded contracts under post review sampling; (10 September 2023) Then, at the time of each contract award for succeeding packages
PMO to inform ADB that the 30% have been reached for the post-sampling review to be started	PMO	15 September 2023
G-05 – Revised bidding documents / Advertisement	PMO	31 May 2023 / 15 Jun 2023 (15 Sep 2023 / 22 Sep 2023)
G-06 – Contract award	PMO	30 Jun 2023 (awarded on 12 Jun 2023)
G-07 – Contract award	DDM PMU	30 Jun 2023 (30 Sep 2023)
G-09 – Provide draft bidding documents to ADB	PMO	15 Jun 2023 (30 Sep 2023)
G-10 to G-13 – Advertisement / Award	PMO	22 Jun 2023 / 30 Sep 2023
W-07 – Contract award	PMO	October 2023
W-10 – Advertisement	PMO	30 Jun 2023
W-16 – Mobilization	PMO	15 Aug 2023
W-21 to W-26 – Advertisement	PMO	22 Jun 2023 (30 Sep 2023)
C-01 – Contract extension till 26 June 2024	PMO	30 Jun 2023 (30 Sep 2023)
C-02 – Revised TOR / Advertisement Submission 1 to ADB / ADB approval	DDM PMU	2 Jun 2023 / 4 Jun 2023 31 Aug 2023 / 8 Sep 2023

Action	Who	Completion Date with updated date if action is pending as of 5 Sept 2023
C-07 – Advertisement (BTP) / mobilization	PMO	15 Jun 2023 / 30 Sep 2023 (18 Aug 2023 / 30 Nov 2023)
C-10 – Advertisement (STP) / mobilization	PMO	4 Jun 2023 / 30 Sep 2023 (10 Jul 2023 / 15 Nov 2023)
C-13 – Advertisement (BTP) / mobilization	PMO	15 Jun 2023 / 30 Sep 2023
C-15 – Advertisement (STP) / mobilization	PMO	15 Jun 2023 / 15 Oct 2023
C-16 – Advertisement (BTP) / mobilization	PMO	15 Jun 2023 / 30 Sep 2023 (5 Jul 2023 / 31 Oct 2023)
C-19 – Revised TOR submitted to ADB / mobilization	PMO	31 May 2023 / 30 Sep 2023 (23 May 2023 / 30 Sep 2023)
C-17 to C-20 – Advertisement / mobilization	PMO	4 Jun 2023 / 31 Jul 2023 (30 May / 30 Sep 2023)
Financial Management:		
PMO to submit all pending withdrawal applications to ADB	PMO	15 Jun 2023 (15 Sep 2023)
Fill-up all FM still vacant positions in PMO and SMOs	PMO	30 Jun 2023 (30 Sep 2023)
PMO's proposal/plan to computerize all project accounts	PMO	30 Jun 2023 (30 Sep 2023)
Submission of training needs assessment of PMO	ISPMC / PMO	30 Jun 2023 (30 Sep 2023)
PMO to coordinate with BRM for other financial management specific training	PMO	30 Jun 2023 (30 Sep 2023)
APFS submission to ADB	PMO	31 Dec 2023
Environment:		
ADB provide comments to PMO on 1 st draft of Addendum to the EIA	ADB	5 Jun 2023 (13 Jun 2023)
Additional stakeholder consultation for the four additional sites	PMO	18 Jun 2023 (10, 13 and 19 June 2023)
Discuss Addendum to the EIA with DoE	PMO	30 Jun 2023 (15 Sep 2023)
Share outcomes of DoE discussion with ADB	PMO	2 Jul 2023 (30 Sep 2023)
Submission of next draft of EIA addendum	PMO	5 Jul 2023 (17 Aug 2023)
ADB to provide comments/approve the revised EMR (Jan-Jun 2023)	ADB	17 Sep 2023
Submission of semi-annual EMR (Jul-Dec 2023)	PMO	31 Jan 2024
PMO to establish Grievance Redress Committee (GRC) at local level and carry out information campaign among the APs to disseminate details about the PMO-level GRC	PMO	30 Sep 2023
Social safeguards and land acquisition:		
Updating of RP for Shahjadpur flood embankment	ISPMC / PMO	15 Jun 2023 (30 Sep 2023)
All required committees including grievance committee and property valuation committee to be formed in line with RP requirements	PMO	30 Jun 2023 (30 Sep 2023)
Full amount of the necessary counterpart funds to be available to the PMO by MoWR and BWDB for the land acquisition process	MoWR / BWDB	15 July 2023 (15 Sep 2023)
ADB Safeguards Special Mission shortly after BWDB would have received budgets approved for land acquisition	ADB, PMO	Jul/Aug 2023 (Sep 2023)
Expedite implementation of necessary compensation to the affected persons before commencement of any above water construction activities	PMO	30 Sep 2023

Action	Who	Completion Date with updated date if action is pending as of 5 Sept 2023
All parties involved in the land acquisition process to expedite the process	MoWR / BWDB Ministry of Land DC offices PMO	30 Sep 2023
Reporting and others:		
PAM update	ADB	30 Jun 2023 (30 Sep 2023)
Processing of partial loan cancellation of \$30 million	ADB	30 Jun 2023 (30 Sep 2023)
DPP revision and submission to MoWR	PMO	30 Sep 2023
BWDB Committee for the revised DPP	BWDB	15 Jul 2023 (30 Sep 2023)
Submission of revised DPP to MoWR	BWDB	15 Jul 2023 (30 Sep 2023)
Revised DPP approval by MoWR	MoWR	31 Aug 2023 (30 Nov 2023)
Follow-on project:		
Presentation of site selection in workshop	ISPMC / PMO	11 Sep 2023
Reconnaissance mission	ADB / EKN / PMO	Late Sep or Nov 2023
Submission of draft EIA to ADB	PMO	31 Oct 2023
Disclosure of EIA	PMO / ADB	15 Dec 2023
Submission of draft CRA and CCA to ADB	PMO	10 Jan 2024
Fact-finding mission	ADB / EKN / PMO	Feb 2024
Loan approval by ADB Board	ADB	Oct 2024

ADB = Asian Development Bank, APFS = audited project financial statement, BD = bidding document, BTP = biodata technical proposals, BWDB = Bangladesh Water Development Board, CCA = climate change assessment, CE = chief engineer, CRA = climate risk assessment, DC = District Commissioners, DDM = Department of Disaster Management, DoE = Department of Environment, DPP = detailed project proforma, EIA = environment impact assessment, EKN = Embassy of the Kingdom of the Netherlands, EMR = environmental monitoring report, FM = financial management, ISPMC = institutional strengthening and project management consultant, MoWR = Ministry of Water Resources, PAM = project administration manual, PMO = project management office, PMU = project management unit of DDM, PP = procurement plan, RP = resettlement plan, SMO = subproject management office, ToR = terms of reference.

V. DELEGATION / HAND OVER OF THE DAY-TO-DAY ADMINISTRATION TO BRM

74. One of the mission's objectives of the February 2023 Inception mission was to delegate Project 2's day-to-day project administration to BRM, however this could not happen for various reasons. Subsequently, handover to BRM of the day-to-day project implementation will happen at the conclusion of this mission. However, ADB HQ staff will be available to advise as needed and the monitoring of the progress of the preparation of the follow-on project and its processing will be led by ADB HQ staff.

VI. MISSION'S WRAP-UP MEETINGS

75. The Mission's findings were discussed during the pre-wrap up meeting with MoWR and the wrap up meeting with ERD. The comments and agreements recorded by the Mission are summarized in the following two paragraphs.

76. Pre-wrap up meeting with MoWR

(i) **Progress to date:**

- Despite some project start-up delays described in paras. 12 and 40, as of 27

May 2023, actual physical progress of Project 2 reported by the PMO was about 18%, against projected progress of 50% and elapsed project time of 61%. Contract awards amounted to about \$72 million and cumulative disbursements amounted to about \$21 million. (Subsequently to the mission, as of 30 June 2023 (ie: toward the end of dry season), the physical and financial progress of Project 2 were 21% and 14%, against projected financial progress of 55% and elapsed project time of 65%).

- The remaining works are expected to significantly continue from October/November 2023 after the end of the monsoon season for completion by 26 June 2024.

(ii) **Closure of Project 2 and of the MFF on 26 June 2024:**

- The Mission reminded the government that the MFF maximum availability period is limited to 10 years (the MFF was extended from its original 9 years to its maximum 10 years during the processing of Project 2 in 2020) and cannot be extended any further. The Mission reminded that all activities that cannot be completed under Project 2 before its closure as well as the closure of the MFF both on 26 June 2024 will have to be completed by BWDB with the government own funds or included in the follow-on project to be prepared by the government before 26 June 2024.
- It was agreed by all parties to focus on the work in-hand and for the government (with support from PMO's consultant (ISPMC)) to prepare the follow-on project before the closure of the MFF in June 2024 for approval by the government and ADB by October 2024 for works to start from the onset of the dry season 2024/25.

(iii) **Land acquisition:**

- The Mission emphasized the importance of having the land acquisition process for some 34 ha of land fully completed before the end of November 2023 to enable the start of the construction of 6.6 km of flood embankment at the Shahjadpur subproject.
- The Mission requested MoWR to facilitate the land acquisition process and support the PMO in expediting implementation of necessary compensation to the affected persons before commencement of any construction activities in compliance with ADB Safeguards Policy Statement (2009) and the related Loan Covenants.
- The Mission reiterated the request for MoWR and BWDB to allocate sufficient government funds to this project as a matter of priority as the remaining time to implement Project 2 is limited.
- The Ministry assured the Mission that the required funds are part of the budget provision for the FY 2023/24 will be made available on time.

(iv) **Current savings on the loan and grant amounts and additional works:**

- As identified during the Inception mission, the project has unutilized funds of around \$70 million resulting from (a) lower cost contracts, (b) exchange rate fluctuations (ie: BDT has depreciated compared to the USD by around 26% since project approval in Sept 2021) (c) works to close the Salimabad channel are no longer technically feasible further to recent morphological changes, and (d) contingencies in the overall cost estimates of the project.
- At PMO's request to maximize the utilization of the available funds, concurred by the Mission, it was agreed to allocate \$32 million of the unutilized funds to implement urgently required works in extension of the existing/ongoing works and to protect riverbanks in the vicinity of the Salimabad channel to prevent

- erosion of the banks from getting worse.
 - Current unutilized funds on the grant from the Netherlands are about \$4.5 million (the Mission and EKN subsequently discussed on 27 June 2023 for EKN to cofinance other packages, hence the unutilized funds on the grant at project closure on 26 June 2024 are estimated to be \$3.8 million).
- (v) **Partial cancellation of \$30 million on the loan:**
- As the necessary revisions to the DPP are within the remit for approval by MoWR (ie: the amount of the revised DPP is expected to be in close range of the amount of the approved DDP) for timely processing and to enable the cancelled funds on this concessional loan to be re-allocated to other projects in Bangladesh, it was agreed by all parties for ADB to proceed with a partial cancellation of \$30 million on the loan.
 - PMO is to focus on progressing the remaining works in-hand and the additional works to maximize the utilization of the funds before the closure of the MFF on 26 June 2024.
- (vi) **Staffing:**
- The Mission and EKN appreciated that the position of the Chief Engineer, River Management for the main rivers of central Bangladesh has been filled by BWDB: Mr. Md. Abdul Basit has been assigned full time to the position and has assumed his role since 28 May 2023. Having filled this important position also enables the road map and policy framework to be well on track ahead of project closure in June 2024.
 - The Mission highlighted that PMO and BWDB need to urgently fill all the pending vacant positions allowed per the approved DPP.
- (vii) **DPP revisions:**
- PMO has started to prepare to revise the DPP by initiating the design process for the additional works for their inclusion in the revised DPP to be submitted to the Ministry by 30 September 2023.
 - It is understood that the review and approval process by MoWR of the revised DPP may take up to 2 months, enabling construction to start in November 2023 at the onset of the dry season.
 - The Mission requested (para. 16 (ix)) and this was agreed by all parties that all procurement activities for the additional works packages is to take place concomitantly to the process of revising and approving the DPP, ensuring all works can be awarded latest in November 2023 and completed prior to 26 June 2024.
- (viii) **Preparation of the follow-on project (para. 18):**
- Activities have been initiated by PMO and ISPMC, including site selection, field surveys, safeguards documents (ie: EIA), and climate change assessment and measures to be incorporated into the design.
 - The follow-on project will use the ADB standard loan modality and is anticipated to be financed with an ADB loan of about \$200 million (with possible additional financing in the future if it performs well) and government counterpart funds (to cover costs related to land acquisition, taxes and duties, interest).
 - Fact-finding mission: the ADB (jointly with EKN) mission is scheduled to be fielded in February 2024.
 - Loan approval is anticipated by end of October 2024 for implementation of the works and activities to start from the onset of the dry season 2024/25, ensuring a seamless continuation to Project 2 and the MFF.
- (ix) **Comments from the Embassy of the Kingdom of the Netherlands:**

- The First Secretary of EKN expressed the Government of the Netherlands' interest to be part of the follow-on project subject to strong linkage with the World Bank- financed Jamuna River Sustainable Management Project 1, which also receives financial support from GoN.
- He expects the Chief Engineer River Management of BWDB to take a leading role in coordinating all river stabilization activities ongoing and planned by the government and different development partners (ADB, GoN, JICA, World Bank).
- EKN would be interested in a more detailed breakdown of the grant financing in this final Aide-memoire to possibly consider cofinancing other packages and to receive more details on the planned physical hydraulic model tests conducted under the ISPMC budget to support updated design guideline. (Subsequently to the mission, the ADB Mission leader and EKN discussed on 27 June 2023 packages under the project to be additionally cofinanced with the grant (para. 41).

77. **Wrap up meeting with ERD:**

(i) **Closure of Project 2 and the MFF on 26 June 2024:**

- The Mission reminded the government that the MFF maximum availability period is limited to 10 years (the MFF was extended from its original 9 years to its maximum 10 years during the processing of Project 2 in 2020) and cannot be extended any further.
- The Mission reminded that all activities that cannot be completed under Project 2 before its closure as well as the closure of the MFF both on 26 June 2024 will have to be completed by BWDB with the government own funds or included in the follow-on project to be prepared by the government before 26 June 2024.

(ii) **Partial cancellation of \$30 million on the loan:**

- ERD appreciated the Mission's explanation that the exchange rate fluctuation of the USD/BDT currencies has led to the situation that the current loan amount exceeds the amount of the original DPP which allows for a partial cancellation of \$30 million on the loan, as the project will still have \$8 million of contingencies to cover any further uncertainties (including fluctuations of currencies) during the short remaining implementation period. These \$30 million from the concessional loan will be available to other projects in Bangladesh (for example extending existing projects by this amount).
- The PD, PMO explained that Project 2 under the MFF modality has about 2.5 times the budget of Project 1 with about one third of the time and stated that more expenditure beyond the \$32 million for the additional works is not possible before loan closure on 26 June 2024.
- It was agreed by all parties for ADB to proceed with a partial cancellation of \$30 million on the loan.

(iii) **Land acquisition:**

- ERD acknowledged that the tight land acquisition schedule requires close inter-ministerial coordination to enable the 6.6 km of flood embankment works to start in time for the works to be fully completed by 26 June 2024.
- ERD was informed by PD, PMO that the fund allocation for land acquisition is part of the ADP for 2023/24 and that the funds need to be provided very timely.

(iv) **DPP revision:**

- ERD was informed by PD, PMO that the amount of the revised DPP will be in

the same range as the amount of the original DPP, ensuring a timely approval by MoWR.

VII. ACKNOWLEDGMENTS

78. The Mission expresses its appreciation to the government for its excellent cooperation and courtesies.

79. The next missions will include (i) special land acquisition / social safeguards review mission in September 2023 and (ii) a reconnaissance mission for the preparation of the follow-on project in either late September or November 2023. The loan fact-finding mission is tentatively scheduled for February 2024.



Olivier Drieu
Senior Water Resources Specialist/Mission Leader
Environment, Natural Resources and Agriculture Division
South Asia Department
Asian Development Bank
5th September 2023

Appendices

Appendix 1: List of Key Persons Met

Appendix 2: Additional works proposed by the PMO

Appendix 3: Detailed Work Schedule and Planning for Project Preparation and Processing of the Follow-on Project

Appendix 4: Revised PMO and SMO Staffing Requirements for Project 2

Appendix 5: Status of Financial Management Action Plan

Appendix 6: Status of Design and Monitoring Framework and Revisions Proposed

Appendix 7: Policy Framework Road Map of the MFF

Appendix 8: Status of Compliance with the Loan and Grant Covenants

Appendix 9: Timeline of Social Safeguard Activities Needed Prior to Construction of Shahjadpur Embankment

Appendix 10: Revised Gender Action Plan

Appendix 11: Cumulative Gender Action Plan Implementation Progress Report as of 20 May 2023

Appendix 1: List of Key Persons Met

Economic Relations Division (ERD)

S M Jakaria Huq	Joint Secretary, ADB Wing
Md. Mostafizur Rahman	Additional Secretary and Wing Chief (ADB)

Implementation Monitoring and Evaluation Division (IMED)

Ayesha Akter	Director
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Ministry of Water Resources (MoWR)

Mohammad Lutfar Rahman PAA	Joint Secretary (Development), MoWR
Mohammed Mobassherul Islam	Deputy Secretary (Development), MoWR

Bangladesh Water Development Board (BWDB)

Md. Nurul Islam Sarker	Director General, BWDB
S. M. Shahidul Islam	Additional Director General (Eastern Region), BWDB
Muhammad Amirul Haq Bhuiya	Additional Director General (Western Region), BWDB
Md. Moniruzzaman	Additional Director General (Planning), BWDB
Md. Rafiqul Islam Choubey	Chief Engineer (Monitoring), BWDB
Md. Ruhul Amin	Project Director / Additional Chief Engineer, BWDB
Dr. Shyamal Chandra Das	Additional Chief Engineer (Planning), BWDB
Md. Abdul Basit	Superintending Engineer, BWDB

Project Management Office (PMO)

Md. Ruhul Amin	Project Director
Md. Sultan Mahmud	Deputy Project Director
M. Nazmul Islam	Executive Engineer
Md. Fahad Hasan	Executive Engineer
K. M. Saki Ingil	Assistant Engineer
Md. Rashidul Mamur Rafid	Assistant Engineer
Md. Monirul Islam	Assistant Director, Land Acquisition and Resettlement
Gopal Chandra Biswas	Deputy Director (Accounts)

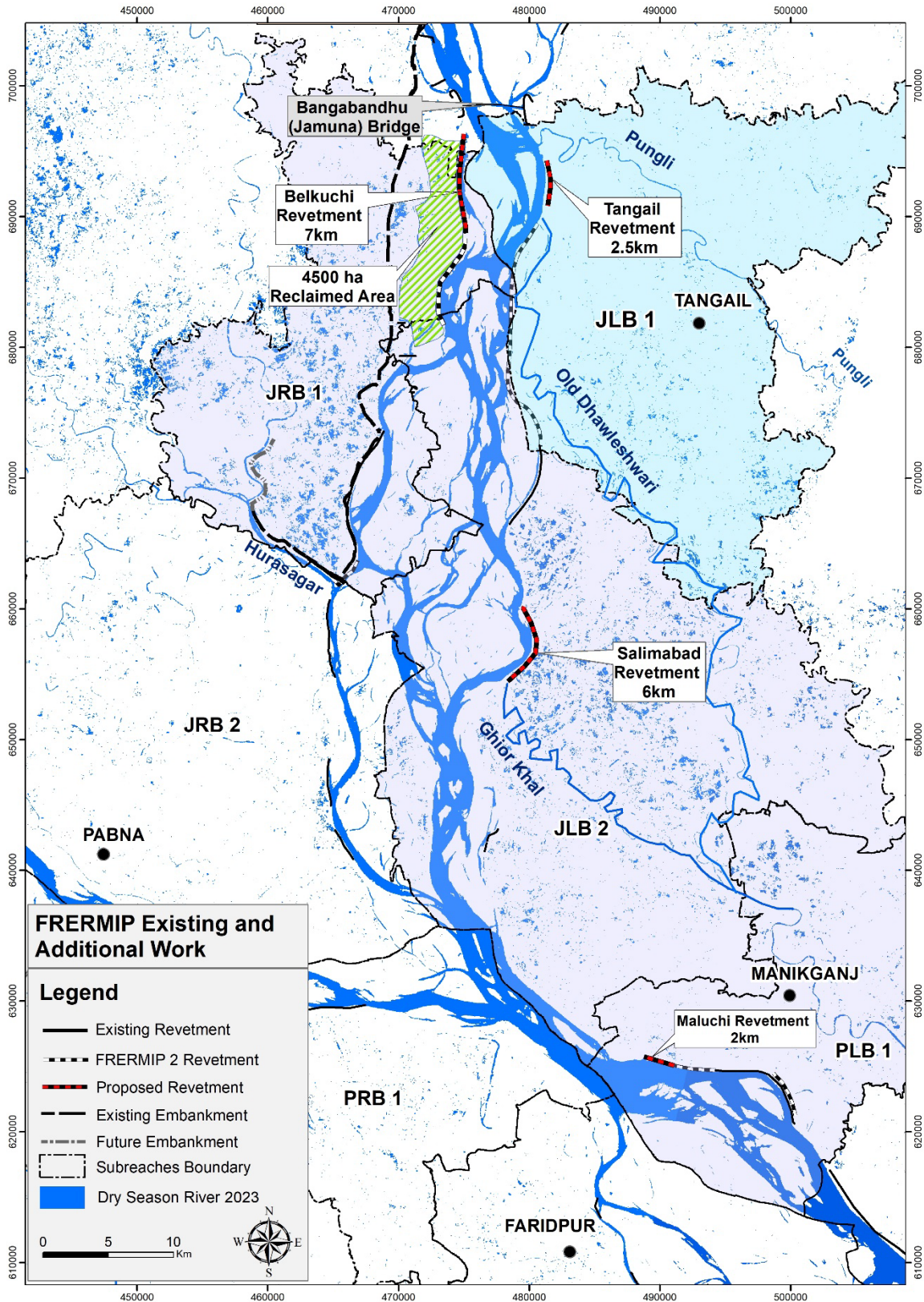
Institutional Strengthening and Project Management Consultant (ISPMC) of the PMO of BWDB

Knut Oberhagemann	Team Leader / River Management Specialist
Douglas White	Construction / Quality Control Engineer
Nithya Yogaraj	Social Development and Resettlement Specialist
Malcolm Leytham	Climate Change Specialist – Hydrology expert
Jesper Mathiesen	River Engineer
Eric Mosselman	River Engineer – River morphology expert
Jesper Mathiesen	River Engineer
Quazi Towfiqul Islam	Community-based Flood Risk Management Specialist
Mamun Ar Rashid	Land Acquisition and Resettlement Specialist
Ruksana Begum	Social Development and Gender Specialist

Md. Amir Faisal
Ektedar Rahman

Environmental Specialist
Financial Management Specialist

Appendix 2: Map of Additional Works Proposed by the PMO



Appendix 3: Detailed Work Schedule and Planning For Project Preparation and Processing of the Follow-on Project

OUTPUT/ DELIVERABLES WITH ACTIVITIES	Completion	2023												2024																	
		MAY		JUNE		JULY		AUGUST		SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER		JANUARY		FEBRUARY		MARCH		April		May		June			
		I	II	I	II	I	II	I	II	I	II	I	II	I	II	I	II	I	II	I	II	I	II	I	II	I	II	I	II		
A. FEASIBILITY REPORT																															
ADB Processing Dates and Mission Schedule		[Timeline bars for ADB Processing Dates and Mission Schedule]																													
Reconnaissance Mission	20-Sep-23	[Timeline bar]																													
Concept Paper Approval	08-Dec-23	[Timeline bar]																													
Fact Finding Mission	29-Feb-24	[Timeline bar]																													
ADB Interdepartmental Review	17-Apr-24	[Timeline bar]																													
Project Description including, Technical & Economic Analysis & Implementation Arrangements	15-Jan-24	[Timeline bars for Project Description including, Technical & Economic Analysis & Implementation Arrangements]																													
Overview of investment project, policies, strategies, guiding documents	10-Jun-23	[Timeline bar]																													
Flood and Erosion sector summary, client resilience and disaster impacts	21-Aug-23	[Timeline bar]																													
Flood Season Survey	15-Sep-23	[Timeline bar]																													
Review past investments, lessons learned, describe selected subproject and subproject areas	21-Jun-23	[Timeline bar]																													
Describe proposed investment, rationale, DMF, project scope, costs, outputs	07-Aug-23	[Timeline bar]																													
Detailed implementation arrangements with performance M&E, and procurement plan	07-Jan-23	[Timeline bar]																													
Financial and economic analysis and risk assessment	07-Jan-23	[Timeline bar]																													
Safeguards: Environmental Impact Assessment	21-Sep-23	[Timeline bar]																													
Gender Action Plan, Initial Poverty and Social Assessment	07-Dec-23	[Timeline bar]																													
Safeguards: Resettlement, Indigenous People	07-Dec-23	[Timeline bar]																													
Advertisement of First Bidding Documents	07-Mar-23	[Timeline bar]																													
DOCUMENTS FOR LOAN PROCESSING																															
Project Concept including proposed Description, Rationale, Impact, Outcome, Outputs, Implementation Arrangements, Safeguards categorization, Summary of Cost estimate, Financing Plan, preliminary DMF, Initial Poverty and Social Assessment, Sector Assessment	15-Oct-23	[Timeline bar]																													
Project Concept Paper including Preliminary DMF, Sector Assessment (Summary), Procurement Risk Classification, Initial Poverty and Social Assessment	05-Dec-23	[Timeline bar]																													
Sector Assessment Review & update sector assessment summary including policies & legislation	31-Aug-23	[Timeline bar]																													
Financial Due Diligence Documents Assessment of fund flow arrangements, staffing, accounting & financial reporting systems	15-Dec-23	[Timeline bar]																													
Financial and Economic Analysis Financial analysis, economic analysis	07-Jan-24	[Timeline bar]																													
Procurement Capacity Assessment Assess procurement requirements, arrangement & capacity of BWDB	30-Oct-23	[Timeline bar]																													
Initial Poverty and Social Assessment Project design features to mitigation social risks and for gender development	31-Aug-23	[Timeline bar]																													
Gender Analysis and Gender Action Plan Assessment of role of women in society and gender issues/ opportunities and prepare action plan	31-Aug-23	[Timeline bar]																													
Indigenous Peoples Safeguard Document(s) Identify presence of any indigenous persons and prepare IPP as required	15-Dec-23	[Timeline bar]																													
Involuntary Resettlement Safeguard Document(s) Prepare resettlement plan, identify resettlement impacts, estimate resettlement costs	30-Sep-23	[Timeline bar]																													
Environmental Safeguard Document(s) Environmental Impact Assessment	15-Oct-23	[Timeline bar]																													
ADB Review and update	20-Nov-23	[Timeline bar]																													
DoE Approval	15-Dec-23	[Timeline bar]																													
120 days disclosure before Interdep	15-Apr-24	[Timeline bar]																													
Climate Risk Assessment Assess projected climate change and potential impacts and identify adaptation options	10-Jan-24	[Timeline bar]																													
Project Administration Manual (PAM) Project description, detailed cost tables, implementation & financing arrangements, safeguards, and so on	31-Mar-24	[Timeline bar]																													
GOVERNMENT DOCUMENT FOR PROJECT PROCESSING																															
Support BWDB in drafting the Development Project Proforma (DPP)	31-Mar-24	[Timeline bar]																													

NOTES:

a/ Dates as provided are for delivery of draft versions of the documents

Task/ activity duration —————

Milestone/Task complete

Appendix 4: Revised PMO and SMO Staffing Requirements for Project 2

Position	No. of Staff	Responsibility	Type of engagement/ % of time	Name	Status
PMO (Deputation from BWDB)					
Project Director (Additional Chief Engineer or Superintending Engineer)	1	Overall project management responsibility	Full time	Md. Ruhul Amin	Filled; fulltime
Deputy Project Director (Superintending Engineer)	1	1. Design, Quality Control, River Training and compliances of Loan covenants & DMF	Full time	Md. Sultan Mahmud	Filled; fulltime only 1 position in DPP
		2. Procurement, Planning, Monitoring and Environmental & Social safeguards	Full time		
Executive Engineer (or equivalent rank)	2	1. Procurement, contract management	Full time	Md. Fahad Hasan & M. Nazmul Islam	Filled; fulltime 2 positions in DPP (1&2 and 3&4); all the tasks are performed by Both of the Executive Engineers as per direction of the PD
		2. Safeguards: Chief Resettlement Officer and environment	Full time		
		3. Project management, office management, training coordination and administrative coordination (steering committees, DPP preparation and variations, communication)	Full time		
		4. Quality Control, planning, adaptation, monitoring	Full time		
Subdivisional Engineer	1	1. Procurement, contract management, Resettlement & GAP	Full time		1 in DPP; filled by promotion of Asst. Engineer on 15 Aug 2023
		2. Quality Control, adaptation, maintenance, Environment	Full time		
Assistant Engineer	2	1. Procurement, contract management, project management and administrative activities	Full time		2 in DPP; currently vacant
		2. Monitoring, asset management and O&M system	Full time		
Assistant Director	1	Land Acquisition, Resettlement	Full time	Md. Monirul Islam	Filled; fulltime
Deputy Director (Accounts)	1	Payments and audits; financial management; and ensuring that all loan covenants pertaining to financial management are complied with	Full time	Gopal Chandra Biswas	Filled; fulltime
Senior Accountants Assistants	1	Contractors' invoice processing and keeping a record of the accounts, particularly for claims that will be claimed through SOEs	Full time	Md. Sarwar Hossain	Only 1 position in DPP
Driver	4		Outsourced	--	Not filled; As the packages are not included in PAM, these staffs will be engaged through ISPMC contract.
Guard	2		Outsourced	--	
MLSS	4		Outsourced	--	
Cleaner	2		Outsourced	--	
Sub-total	22				
Kaitola SMO (Deputation from Board)					
Executive Engineer	1	Head of the SMO in Kaitola and nominated 'Project Manager' / 'Engineer'	Full time	Md. Mahbubur Rahman	Additional charge; works as per direction of PD
Subdivisional Engineer	1	Exclusively implement FRERMIP works at the subprojects	Full time	Md. Shaheen Reza	Fulltime
Sub Assistant Engineers	2	Daily construction supervision at the subproject sites	Full time	Shahinur, Md. Al Amin	Fulltime
Senior Accounts assistant	1	Assist SMO in daily accounting activities	Full time	--	Vacant
Data entry operator	1	Update asset management system	Full time	--	Vacant (Computer Analyst in DPP)

Position	No. of Staff	Responsibility	Type of engagement/ % of time	Name	Status
Revenue surveyor	1	Quantity check of contractors' invoices	Full time	--	Vacant
Work assistant	3	Daily construction supervision	Full time	Abdul Jalil	3 in DPP; 1 filled
Driver	1		Outsourcing		Filled through outsourcing
Guard	1		Outsourcing	--	Not filled; to be outsourced
MLSS	2		Outsourcing	--	
Cleaner	1		Outsourcing	--	
Sub-total	15				
Tangail SMO (Deputation from Board)					
Executive Engineer	1	Head of the SMO in Tangail and nominated 'Project Manager' / 'Engineer'	Part-time / 55%	Md. Shazzad Hossain	Filled; full-time
Subdivisional Engineer	1	Implementation of FRERMIP works at the subprojects	Part-time / 60%	Imdadul Haque	Filled
Sub Assistant Engineers	2	Daily construction supervision at the subproject sites	Part-time / 80%	Mofijul Islam Mojnu Md. Sayedur Rahman	Filled
Senior Accounts assistant	1	Assist SMO in daily accounting activities	Part-time / 60%	Mahfuza Akhter	Filled
Data entry operator	1	Update asset management system	Part-time / 60%	Abu Bakar	Filled
Revenue surveyor	1	Quantity check of contractors' invoices	Part-time / 60%	Rubel Ahmed	Filled
Work assistant	2	Daily construction supervision	Part-time / 80%	Mosharraf Hossain Sumon Mia	Filled
Driver	1		Outsourcing		Filled though outsourcing
Guard	1		Outsourcing		
MLSS	2		Outsourcing		
Sub-total	13				
Manikganj SMO (Deputation from Board)					
Executive Engineer	1	Head of the SMO in Manikganj and nominated 'Project Manager' / 'Engineer'	Part-time / 65%	Md. Mayn Uddin	Filled
Subdivisional Engineer	1	Implementation of FRERMIP works at the subprojects	Part-time / 70%	Md. Abul Kalam Azad	Filled
Sub Assistant Engineers	2	Daily construction supervision at the subproject sites	Part-time / 80%	Shahinur Rahman; Md. Moniruzzaman	Filled
Senior Accounts assistant	1	Assist SMO in daily accounting activities	Part-time / 70%	--	Vacant
Data entry operator	1	Update asset management system	Part-time / 70%	--	Vacant
Work assistant	2	Daily construction supervision	Part-time / 80%	Lal Chad Mia, Md Iqbal Hossen	Filled
Driver	1		Outsourcing		Filled through outsourcing
Guard	1		Outsourcing		
MLSS	2		Outsourcing		
Sub-total	12				

FRERMIP = Flood and River Erosion Risk Management Investment Program, GAP = gender action plan, MLSS = member of lower subordinate staff, O&M = operation and maintenance, PMO = project management office, SMO = subproject management office, SOE = statement of expenditure.

Source: Bangladesh Water Development Board.

Appendix 5: Status of Financial Management Action Plan

Key Risk	Risk Mitigating Activity	Timeline	Responsible Entity	Current status (implemented/Pending)	Remarks* (including an action plan in case of noncompliance)
Staffing	Assign adequate and qualified accounts staff ¹⁴ to the PMO and SMOs as well as the PMU/DDM. Engage an FM expert to support the project and facilitate compliance with ADB's FM requirements as part of the ISPMSC.	By Loan effectiveness Within one month after Loan effectiveness	BWDB and DDM BWDB	Currently, PMO has 1 deputy director and 1 senior accountant Assistant. Tangail SMO has the required Senior Accounts Assistant. ToR has been concurred by ADB. Consultant will be engaged after necessary procedure of consultancy service procurement.	Though the staffing mentioned in footnote 1 is in the PAM, this staffing was not approved by the finance ministry during project (DPP) approval. As per approved DPP, PMO has 1 deputy director and 1 Senior Accounts Assistant. 1 accounts officer will be assigned to assist PMO accounting office upon approval of the higher authority of BWDB. Koitola SMO is under Sirajganj SMO, accounts assistant is no longer required. PMO to ensure that at least 3 accounting staffs (BWDB staff or outsourced) are timely assigned until the end of the Project.
FM capacity building	Training provided in ADB's FM requirements and disbursement procedures and systems (LFIS, CPD)	By project inception and continuous throughout project implementation.	BWDB and ADB	Pending.	PMO to closely coordinate with BRM for the conduct of disbursement trainings. BRM is ready to provide trainings upon request.
Internal audit	Ensure the project is included in the audit plan of the BWDB internal audit function.	By Loan effectiveness	BWDB	PMO may request audit directorate to include this project in their audit plan.	PMO to ensure to include the project in the BWDB audit plan. Letter to be submitted by 15 June 2023.
External audit – Project level	Ensure the project is included in the audit plan of FAPAD; Cause consolidated project financial statements to be audited separately by FAPAD in accordance with ADB's audit requirements and submit the APFS and management letter to ADB. Address audit observations in a timely manner.	Within 2 months after Loan effectiveness. Annually throughout project implementation. Continuous throughout the project.	BWDB	External audit report expected to be submitted to ADB in Oct/Nov 2023	FAPAD will submit APFS to ADB annually. Audit observation will be addressed in a timely manner.

¹⁴ The accounts staff assigned to the PMO will include the following fulltime positions: (i) A Deputy Director -Accounts, (ii) an accounts Officer (iii) three Senior Accountants Assistants. In addition, each of the three SMOs will include one Senior Accounts Assistant.

Key Risk	Risk Mitigating Activity	Timeline	Responsible Entity	Current status (implemented/Pending)	Remarks* (including an action plan in case of noncompliance)
Financial reporting	<p>Include comprehensive financial information as agreed with ADB in the QPRs.</p> <p>Prepare PFS in a format agreed with ADB (including statement of budget vs actual, WA-wise reconciliation and comprehensive notes disclosures)</p>	<p>Within 45 days from end of each quarter.</p> <p>Annually -within two months after the end of the fiscal year.</p>	BWDB	It is included in every QPRs.	PFS will be prepared.
Information systems	Use of ADB's disbursement systems (CPD & LFIS) to reconcile project accounts and ADB disbursement records on a quarterly basis. Detailed reconciliation by WA to be included in the QPRs and the APFS submitted to ADB.	Quarterly from loan first disbursement throughout project implementation.	BWDB	PMO is already using CPD and LFIS.	ADB's disbursement systems (CPD & LFIS) are being used timely to reconcile project accounts and ADB disbursement records on a quarterly basis.
Information systems	Computerize all accounts including receipts and payments under the ADB loan and automate financial reporting to the extent possible.	Within the first 6 months of implementation.	BWDB	Pending	All accounts will be computerized with a suitable accounting software (i.e. TALLY) including receipts and payments under the ADB loan and GoN grant, and automate financial reporting to the extent possible by 30 June 2023. Currently, all records are kept in MS Excel format separately.
Records management	<p>All supporting documents (or copy of such documents) to support expenditures claimed from ADB under SOE must be sent from District Offices to the PMO regularly.</p> <p>The supporting documentation is to be filed properly at the PMO to support ADB's SOE reviews and annual project audits.</p>	Monthly	BWDB and DDM	The documents are being filed regularly.	

ADB = Asian Development Bank, APFS = audited project financial statements, BWDB = Bangladesh Water Development Board, CPD = Client Portal for Disbursements, DDM = Department of Disaster Management, FAPAD = Foreign Aided Projects Audit Directorate, FM = financial management, ISPMC = institutional strengthening and project management consultant, LFIS = Loan Financial Information Services, PFS = Project Financial Statements, PMO = project management office, PMU = project management unit, QPR = Quarterly Progress Report, SOE = statement of expenditure, WA = withdrawal application.

Source: Asian Development Bank and Bangladesh Water Development Board.

Appendix 6: Status of Design and Monitoring Framework and Revisions Proposed

Results Chain	Performance Indicators with Targets and Baselines	Status
Outcome Flood and riverbank erosion risks in the subproject areas reduced	By 2025:	
	a. 15,400 ha of land protected from inundation damages (2020 baseline = 0) (3,600 ha) ^c (OP 3.2, 5.3)	No change; on track to meet target (however parts depend on the 7.9 km of embankment)
	b. About 0.5 million people protected from inundation damages (2020 baseline = 0) (0.1 million people) ^c (OP 2.1, 3.2)	No change; on track to meet target (however parts depend on the 7.9 km of embankment)
	c. 3,000 ha of lands with assets protected from riverbank erosion (2020 baseline = 0) (200 ha) ^{c,d} (OP 3.2, 5.1.1)	Substantially possible to be achieved with longer-term wave protection deferred to follow-on project.
	d. 8,000 ha of char land recovered from the river for development (2020 baseline = 0) (OP 2.1, 3.2, 5.1.1)	6,000 ha no longer possible due to river morphological changes in the vicinity of Salimabad channel; 2,500 ha on track to be achieved with the additional works To be revised
Outputs 1. Flood and riverbank erosion risk mitigation functioning at priority reaches improved	By 2024:	
	1a. 30 km of riverbank protected by applying appropriate technology and methodology ^e (2020 baseline = 0 (18 km) ^{c,d} (OP 1.2)	No change; on track to meet target. Contract awarded for 5 goods packages amounting to around \$41 million and 9 works packages amounting to around \$23 million. To be achieved by early 2024; 7 km built/completed..
	1b. 7.9 km of climate-resilient flood embankment constructed, rehabilitated, or upgraded against 100-year probable floods (200-year flood along the main rivers) (2020 baseline = 0) (21 km) ^c (OP 1.2, 5.1.1)	1.7 km do not depend on land acquisition and are currently achievable (for which land is already acquired) - depend on the land acquisition process. 6.2 km depend on timely completion of land acquisition process expected in December 2023. Section 4 Notice planned to be issued at the end of August 2023. On track to be achieved..
	1c. 2 regulators and other hydraulic structures (i.e., fish passes) installed (2020 baseline = 0) (4) ^c	2 regulators and 1 fish pass achievable as on already acquired land.
	1d. 1 channel closure with "building with nature" approach ^f (2020 baseline = 0) (OP 1.2)	Not achievable as Salimabad channel closure is no longer technically feasible.
	1e. 160 community-based disaster management units established (minimum of 35% women-led) and developing of their capacity (2020 baseline = 0) (baseline 40 units with 14 led by women) ^c (OP 1.3)	Submission 1 sent to ADB on 14 August 2023; only 110 community-based disaster management units is achievable in the remaining time. To be revised.
	1f. 14 community groups ^g established and livelihood training program conducted (50% women participants) (2020 baseline = 0) (6) ^c (OP 2.3, 2.5)	No change; on track to meet target
	1g. 12 fish sanctuaries established (2020 baseline = 0)	Achievable if changed to 'prepared'. Implementation will be achieved during follow-on project.

Results Chain	Performance Indicators with Targets and Baselines	Status
2. Institutional system for flood and riverbank erosion risk management strengthened	2a. Office of the CE-River Management operational (2020 baseline = office established) (OP 6.2)	Chief Engineer-River Management appointed and assumed office since 28 May 2023.
	2b. Information and management systems refined and piloted including: (i) project website and database with sex-disaggregated data as appropriate in use; (ii) web-based asset database developed and piloted; (iii) project monitoring system in use; and (iv) guideline for river stabilization prepared. (2020 baseline = databases outlined) (OP 6.2)	On track to meet target if (iv) is revised to "background information for river stabilization guideline prepared"
	2c. 5-year budgetary plan for riverbank protection O&M and emergency work for the main rivers submitted for endorsement by BWDB. (2020 baseline = initial draft submitted in November 2020)	On track to be achieved in early 2024.
	2d. Long-term River stabilization and river management master plans refined to include char lands development and submitted for endorsement by BWDB (2020 baseline = initial plan for stabilization of main rivers endorsed by BWDB)	Background information on char land development can be collected and addendum to the river stabilization plan can be prepared. To be revised to: "Background information for long-term River stabilization and river management master plans refined to include char lands development and submitted."
	2e. Gender responsive ^h guideline for river management (focus Lower Jamuna) submitted for endorsement to BWDB. (2020 baseline = studies initiated under Project 1, guideline approved in 2010)	No change; on track to meet target (6-7 pages document)
	2f. Project website updated (2020 baseline = website developed under Project 1)	No change; on track to meet target
3. Program management systems operational	3a. Management information system, quality control systems, accountability measures, and gender-sensitive project monitoring tools ⁱ established and used by PMO and SMOs (2020 baseline = N/A) (OP 6.2)	No change; on track to meet target
	3b. At least 60% of Office of the Chief Engineer River Management staff (including a minimum of 60% of female staff) with increased knowledge on Adaptive Approach ^l (2020 baseline: 0).	No change; on track to meet target
	3c. Follow-on project in line with Bangladesh Delta Plan 2100 and approved River Stabilization Plan (2020), expanding innovative technologies developed under this MFF prepared for the Government of Bangladesh and ADB approval. (2020 baseline = N/A)	No change; on track to meet target

ADB = Asian Development Bank, BBS = Bangladesh Bureau of Statistics, BWDB = Bangladesh Water Development Board, CE = Chief Engineer, CEGIS = Center for Environmental and Geographic Information Services, DC = deputy commissioner, DDM = Department of Disaster Management, DMU = disaster management unit, ha = hectare, ISPMC = institutional strengthening and project management consultant, km = kilometer, MIS = management information system, MFF = multitranchise financing facility, MoU = memorandum of understanding, N/A = not applicable, NGO = nongovernment organization, O&M = operation and maintenance, OP = operational priority, PMO = project management office.

^a The design and monitoring framework (DMF) for Project 2 was prepared within the frame of the DMF of the MFF but adjusted to comply with the new DMF guidelines (ADB. 2020. *Guidelines for Preparing a Design and Monitoring Framework*. Manila).

^b The impact statement was defined for the investment program following previous DMF guidelines. However, it remains aligned with government priorities outlined in the Eighth Five-Year Plan, FY2020–FY2025 (Government of Bangladesh, Planning Commission. 2021).

- c Achieved under Project 1.
- d In the DMF of the MFF, 10 km were defined as baseline, as previously implemented in the project area under ADB-financed JMREMP, resulting in a pre-FRERMIP outcome of 43 ha of lands with assets protected from erosion.
- e Appropriate technology entails long-guiding revetments placed alongside the existing riverbanks, and built from cost effective, sustainable sand-filled geotextile bags. The revetments will be adapted in accordance with morphological changes (deepening of the river) with separate work packages under this Project 2. Appropriate methodology refers to the construction technology making use of precisely positioned floating equipment. The precise amount of underwater works along the highly variable banklines will be determined within 5 days prior to dumping (implementation design) and as-built conditions will be determined within 5 days after dumping. Subsequently, regular monitoring to determine performance and potential adaptation works takes place making use of multi-beam echosounder surveys.
- f “Building with nature” entails stimulating natural processes, for example closing an aggressively eroding bankline channel (Salimabad channel) through overloading with sediment, and measures involving bio-engineering, such as the plantation of large reed fields, which encourage the settlement of finer material and help building up char land to floodplain level.
- g Community groups are comprised of vulnerable people from the Project area.
- h Including, but not limited to, women’s participation in consultations, surveys, accountability mechanisms, and collection and reporting on sex-disaggregated data
- i Including explicit gender equality objectives and indicators. The M&E tools developed will assess qualitative and quantitative data measuring accountability of progress made on gender equality issues.
- j “Adaptive Approach” refers to the adoption of flexible implementation to address ongoing morphological changes in the river with protection of riverbanks with launching aprons that are subsequently strengthened and built to the final scour depth with the deepening of the river.

Contribution to Strategy 2030 Operational Priorities

Expected values and methodological details for all OP indicators to which Project 2 will contribute results are detailed in Contribution to Strategy 2030 Operational Priorities.

Source: Asian Development Bank.

Appendix 7: Policy Framework Road Map of the MFF

Key Issues and Actions	Objectives	Responsibilities	Timeframe
A: Policy and Planning Framework			
A-1. Approve Bangladesh Water Act	<ul style="list-style-type: none"> ▪ Give effect to the National Water Policy for integrated management, development, utilization, and protection of water resources, ▪ Regulates the distribution of responsibilities among different organizations concerned, and ▪ Vests the ownership of water resources in the government. 	GoB	Completed in May 2013
A-2. Develop long-term stabilization plan for the main rivers	<ul style="list-style-type: none"> ▪ Formulate a strategic holistic long-term flood and riverbank erosion risk management plan, towards more stabilized river channels and systematic management of the main rivers. 	BWDB	Completed under Project 1
A-3. Develop a preliminary river network management master plan for the main rivers and their tributaries and distributaries.	<ul style="list-style-type: none"> ▪ Formulate an overall preliminary future intervention plan for sustainable and multi-functional use of the main rivers including their tributaries and distributaries. This is to ensure to avoid disturbing other water and river uses by the flood and riverbank erosion risk management, and to explore most effective multi-functional use of the river system. 	BWDB, with close coordination with WARPO and other relevant organizations	Completed under Project 1
A-4(1). Approve Disaster Management Act	<ul style="list-style-type: none"> ▪ Defines disaster and lays down the institutional arrangements for disaster management at national and field levels. 	GoB	Completed in 2012
A-5(2). Approve Standing Order on Disaster	<ul style="list-style-type: none"> ▪ Define roles and responsibilities of different players at various levels of the government administrative structure at times of disaster 	GoB	Completed in 2012
B: Institutional Basis for Flood and Riverbank Erosion Risk Management			
1. BWDB			
B-1. Establish Chief Engineer (River Management) position and his/her office, if the proposed multi-disciplinary need-based set for BWDB is approved.	<ul style="list-style-type: none"> ▪ Establish the institutional core of the strategic and holistic management of the main rivers, with clear delineation of its functions. 	BWDB	Need-based set-up approved on 3 Nov 2014; Chief Engineer has been assigned to start activities on 28 May 2023.

Key Issues and Actions	Objectives	Responsibilities	Timeframe
B-2. Strengthen capacity of the office of Chief Engineer (River Management)	<ul style="list-style-type: none"> ▪ Operationalize a new office with competent technical knowledge and adequate capacity of institutional coordination with relevant parties like zonal chief engineers of BWDB and DDM 	BWDB	Entire MFF period; ongoing
B-3. Strengthen capacity of BWDB design circles	<ul style="list-style-type: none"> ▪ Establish competent, concrete and widespread knowledge of design of innovative riverbank protection structures in BWDB. 	BWDB	Entire MFF period; ongoing
B-4. Strengthening capacity for environment and safeguard monitoring for flood and riverbank erosion risk management works	<ul style="list-style-type: none"> ▪ Develop sustainable and competent environment and social safeguard implementation and monitoring capacity within BWDB for the flood and riverbank erosion risk management projects for the main rivers, which will involve significant physical interventions. 	BWDB	Entire MFF period; ongoing
2. Inter-ministerial coordination			
B-6. Develop and sign holistic MOU between BWDB and DDM	<ul style="list-style-type: none"> ▪ Establish and operationalize long-term effective coordination mechanism of the two agencies for encouraging DDM's community level activities in BWDB's project areas. 	BWDB	Completed; MoU for Project 2 was signed on 6 Feb 23
B-7. Strengthening inter-departmental coordination and knowledge sharing and dissemination capacity of BWDB	<ul style="list-style-type: none"> ▪ Develop institutional and human resources basis for operationalizing the long-term effective coordination mechanism of BWDB with DDM and other institutions. ▪ Develop institutional capacity of BWDB for disseminating its activities and achievements for better institutional coordination 	BWDB	1st roundtable organized on 20 Feb 23; to be continued (ie: at least another roundtable/workshop)
3. Community level operations			
B-8. Formulate community level disaster management units in subproject areas, and establish administrative coordination with existing district level disaster management units and between DDM and BWDB's offices	<ul style="list-style-type: none"> ▪ Establish community-level institutional set-ups for operationalizing flood and riverbank erosion risk management. 	DDM, BWDB	40 completed under Project 1; ongoing under Project 2
B-9. Establish community participation systems for community-level flood disaster risk management and routine operation and maintenance of flood and riverbank protection infrastructure, and	<ul style="list-style-type: none"> ▪ Develop community-level mechanisms for self-dependent flood and riverbank erosion risk management and sustainable infrastructure management, through encouraging ownership of beneficiaries. 	BWDB, DDM	40 completed under Project 1; ongoing under Project 2

Key Issues and Actions	Objectives	Responsibilities	Timeframe
strengthen capacity of community organizations			
C: Flood and Riverbank Erosion Risk Management Planning and Operation Platform and Tools			
C-1. Establish flood and riverbank erosion risk management infrastructure asset MIS	<ul style="list-style-type: none"> Establish basis for strategic and transparent O&M of infrastructure. 	BWDB	Parts completed under Project 1; ongoing under Project 2
C-2. Establish 5-year flood and riverbank protection O&M and emergency work plan for the main rivers	<ul style="list-style-type: none"> Develop the strategic and transparent O&M and budgetary planning system, with adequate understanding of overall infrastructure status and of river morphology. 	BWDB	Parts completed under Project 1; ongoing under Project 2 (targeted completion in Q4 2023)
C-3. Improve existing guidelines and tools including (i) short-term riverbank erosion prediction model, and (ii) design guidelines for riverbank protection works.	<ul style="list-style-type: none"> Explore more effective tools for the better management and strengthen institutional capacity of BWDB for improving existing own capacity. 	BWDB	Parts completed under Project 1; ongoing under Project 2

BWDB = Bangladesh Water Development Board; DDM = Department of Disaster Management; MIS = management information system; MORW = Ministry of Water Resources; O&M = operation and maintenance; WARPO = Water Resources Planning Organization.

Appendix 88: Status of Compliance with the Loan and Grant Covenants

A. Loan Covenants Per Schedule 4 of the Loan Agreement

Description	Remarks/Issues
Implementation Arrangements	
1. The Borrower and BWDB shall ensure that the Project is implemented in Accordance with the detailed arrangements set forth in the PAM. Any subsequent change to the PAM shall become effective only after approval of such change by the Borrower, BWDB, and ADB. In the event of any discrepancy between the PAM and this Loan Agreement, the provisions of this Loan Agreement shall prevail.	Being complied with.
2. The Borrower shall cause BWDB to ensure that the PMO, the SMOs and the PMU employ sufficient staff for the duration of the Project with adequate and relevant expertise in the field of project management, financial management, engineering, procurement, environmental and social safeguards implementation. The Borrower shall cause BWDB to keep the PMO, the SMOs and the PMU equipped with the necessary office space, facilities, equipment, transport arrangements, support staff and management information systems for the entire duration of the Project.	Partially complied due to issue on missing staff.
3. The Borrower shall cause BWDB to (a) ensure that all counterpart staff assigned to the PMO and to the SMOs are allocated to the Investment Program and the Project on a full-time basis; and (b) undertake best efforts to ensure that all persons assigned to the PMO, the SMOs and the PMU remain in their positions for a reasonable period of time and that staff replacements will not unduly disrupt implementation of the Investment Program and the Project. Without limiting the generality of the foregoing, the Borrower shall cause BWDB to assign (i) experienced accounting staff to the PMO and SMOs, (ii) an experience financial management expert to support the PMO, and (iii) a Subdivisional Engineer to each SMO, in each case as provided in the PAM. The Borrower shall, or cause BWDB to, provide ADB reasonable opportunity to comment on any proposed appointment of persons to key positions in the PMO and SMOs, including, without limitation, the position of Project Director of the PMO and Executive Engineer of each SMO.	Complied.
4. The Borrower shall cause BWDB to ensure that the Project Director of the PMO holds the position not less than the rank of Superintending Engineer.	Complied.
Procurement	
5. The Borrower shall ensure, or cause BWDB to ensure, that:	
(a) the procurement of Goods, Works and Services is carried out in accordance with the Procurement Policy and the Procurement Regulations;	Currently being complied with.
(b) Goods, Works and Services shall be procured based on the detailed arrangements set forth in the Procurement Plan, including the procurement and selection methods, the type of bidding documents, and ADBs review requirements. The Borrower, through BWDB, may modify the detailed arrangements set forth in the Procurement Plan only with the prior agreement of ADB, and such modifications must be set out in updates to the Procurement Plan; and	Currently being complied with.
(c) all Goods and Works procured and Services obtained (including all computer hardware, software and systems, whether separately procured or incorporated within other goods and services procured) do not violate or infringe any industrial property or intellectual property right or claim of any third party; and (ii) all contracts for the procurement of Goods, Works and Services contain appropriate representations, warranties and, if appropriate, indemnities from the contractor, supplier, consultant or service provider with respect to the matters referred to in this subparagraph.	Currently being complied with.
6. The Borrower shall ensure, or cause BWDB to, announce the Project and business opportunities (i.e., invitation of potential bids) associated with the Project on its website. The website shall disclose the following information in relation to Works and Services procured for the project: (a) the list of participating bidders; (b) the name of the selected bidder; (c) the amount of the contracts awarded; and (d) the services procured.	Currently being complied with. (CPTU website)
Conditions for Award of Contract	
7. The Borrower shall ensure, or cause BWDB to ensure, that no Works contract is awarded which involves environmental impacts until:	
(a) the Department of Environment, under the Ministry of Environment and Forest, has granted final approval of the EIA; and	
(b) BWDB has incorporated the relevant provisions from the EMP into the Works contract.	Currently being complied with.

Description	Remarks/Issues
8. The Borrower shall ensure, or cause BWDB to ensure, that no Works contract is awarded which involves involuntary resettlement impacts until the Borrower has caused BWDB to prepare and submit to ADB the final version of the relevant RP based on the detailed design for the activities to be implemented in the relevant Subproject area, and obtained ADBs clearance of such RP.	Currently being complied with.
Counterpart Support 9. The Borrower shall make available to BWDB all counterpart funds required for timely and effective implementation of the Project, including, without limitation, any funds required to keep the PMO and the SMOs fully equipped and fully staffed in accordance with the requirements set out in the PAM, to mitigate unforeseen environmental and social impacts, and to meet additional costs arising from design changes, price escalation in construction costs and/or unforeseen circumstances. The Borrower shall make the resources thus required available to BWDB on a quarterly basis for each fiscal year. In addition to the foregoing, the Borrower shall ensure that BWDB has sufficient funds to satisfy its liabilities arising from any Works, Goods and/or Services contract.	Partially complied with.
10. The Borrower shall reimburse BWDB for any taxes and duties imposed in the territory of the Borrower for Goods, Works and Consulting Services used in the carrying out of the Project no later than the fiscal year after the year in which the taxes and duties were incurred.	Being complied with.
11. The Borrower agrees that, should any Project activities remain uncompleted prior to the conclusion of the availability period for the Facility, it shall make available to BWDB on a timely basis all necessary funds and other resources to ensure completion of the Project activities and achievement of the Project objectives.	Not yet required.
Selection of Subproject areas 12. The Borrower shall ensure, or cause BWDB to ensure, that each Subproject area is selected and approved in accordance with the selection criteria and approval process set out in Schedule 4 of the FFA. The Borrower shall ensure, or cause BWDB to ensure, that all relevant documents forming the basis for screening, selection and processing of Subproject areas are made available to ADB upon request and are kept available for such purposes for a minimum period of five years from the date of the completion report for the Facility.	Being complied with.
Environment 13. The Borrower shall ensure, or cause BWDB to ensure, that the preparation, design, construction, implementation, operation and decommissioning of all Project facilities comply with (a) all applicable laws and regulations of the Borrower relating to environment, health, and safety; (b) the Environmental Safeguards; (c) the updated EARF; and (d) all measures and requirements set forth in the respective EIA report and EMP, and any corrective or preventative actions set forth in a safeguards Monitoring Report.	Currently being complied with.
Land Acquisition and Involuntary Resettlement 14. The Borrower shall ensure, or cause BWDB to ensure, that all land and all rights-of-way required for all Project facilities are made available to the Works contractor in accordance with the schedule agreed under the related Works contract and all land acquisition and resettlement activities are implemented in compliance with (a) all applicable laws and regulations of the Borrower relating to land acquisition and involuntary resettlement; (b) the Involuntary Resettlement Safeguards; (c) the updated RF; and (d) all measures and requirements set forth in the respective RP, and any corrective or preventative actions set forth in a Safeguards Monitoring Report.	Currently being complied with.
15. Without limiting the application of the Involuntary Resettlement Safeguards, the updated RF or the RP, the Borrower shall ensure, or cause BWDB to ensure, that no physical or economic displacement takes place in a Subproject area until: (a) compensation and other entitlements have been provided to affected people in accordance with the relevant RP; and	Currently being complied with.
(b) a comprehensive income and livelihood restoration program has been established in accordance with the relevant RP.	Currently being complied with.
Indigenous Peoples 16. The Borrower shall ensure, or cause BWDB to ensure, that the Project does not have any impacts on indigenous peoples (also referred to as tribes, minor races, ethnic sects and communities under the laws of the Borrower) within the meaning of the SPS. In the unforeseen event that the Project does have any such impact, the Borrower shall take, or cause BWDB to take, all steps required to ensure that the Project complies with the applicable laws and regulations of the Borrower and with the SPS.	Currently being complied with.

Description	Remarks/Issues
<p>Human and Financial Resources to Implement Safeguards Requirements</p> <p>17. The Borrower shall make available, or cause BWDB to make available, the necessary budgetary and human resources to fully implement the EMPs and the RPs.</p>	Currently being complied with.
<p>Safeguards Related Provisions in Bidding Documents and Works Contracts</p> <p>18. The Borrower shall ensure, or cause BWDB to ensure, that all bidding documents and contracts for Works contain provisions that require contractors to:</p> <p>(a) comply with the measures and requirements relevant to the contractor set forth in the relevant EIA, EMP and RP (to the extent they concern impacts on affected people during construction), and any corrective or preventative actions set out in a Safeguards Monitoring Report;</p>	Currently being complied with.
<p>(b) make available a budget for all such environmental and social measures;</p>	Currently being complied with.
<p>(c) provide BWDB with a written notice of any unanticipated environmental, resettlement or indigenous peoples risks or impacts that arise during construction, implementation or operation of the Project that were not considered in the relevant EIA, EMP or RP;</p>	Not yet required.
<p>(d) adequately record the condition of roads, agricultural land and other infrastructure prior to starting to transport materials and construction; and</p>	Currently being complied with.
<p>(e) fully reinstate pathways, other local infrastructure, and agricultural land to at least their pre-project condition upon the completion of construction.</p>	Currently being complied with.
<p>Safeguards Monitoring and Reporting</p>	
<p>19. The Borrower shall, or cause BWDB to, do the following:</p> <p>(a) submit semi-annual Safeguards Monitoring Reports to ADB and disclose relevant information from such reports to affected persons promptly upon submission;</p>	Currently being complied with.
<p>(b) if any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the Project that were not considered in the relevant EIA, EMP or RP, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan;</p>	Not yet required.
<p>(c) no later than 6 months after effectiveness, engage qualified and experienced external experts or qualified NGOs under a selection process and terms of reference acceptable to ADB, to verify information produced through the Project monitoring process in respect of (i) land acquisition and involuntary resettlement and (ii) environmental impacts (if it is determined that the Project will have significant adverse environmental impacts), and facilitate the carrying out of any verification activities related to (i) land acquisition and involuntary resettlement and (ii) environmental impacts (if it is determined that the Project will have significant adverse environmental impacts), by such external experts; and</p>	Delayed but activities ongoing.
<p>(d) report any actual or potential breach of compliance with the measures and requirements set forth in an EMP or RP promptly after becoming aware of the breach.</p>	Currently being complied with.
<p>Prohibited List of Investments</p>	
<p>20. The Borrower shall ensure, or cause BWDB to ensure, that no proceeds of the Loan and/or the Grant are used to finance any activity included in the list of prohibited investment activities provided in Appendix 5 of the SPS.</p>	Currently being complied with.
<p>Labor Standards, Health and Safety</p>	
<p>21. The Borrower shall ensure, or cause BWDB to ensure, that the core labor standards and the Borrowers applicable laws and regulations are complied with during Project implementation. The Borrower shall cause BWDB to include specific provisions in the bidding documents and contracts financed by ADB under the Project requiring that the contractors, among other things: (a) comply with the Borrowers applicable labor law and regulations and incorporate applicable workplace occupational safety norms; (b) do not use child labor; (c) do not discriminate workers in respect of employment and occupation; (d) do not use forced labor; © allow freedom of association and effectively recognize the right to collective bargaining; and (f) disseminate, or engage appropriate service providers to disseminate, information on the risks of sexually transmitted diseases, including HIV/AIDS, to the employees of contractors engaged under the Project and to members of the local communities surrounding the Project area, particularly women.</p>	Currently being complied with.
<p>22. The Borrower shall cause BWDB to strictly monitor compliance with the requirements set forth in paragraph 21 above and provide ADB with regular reports.</p>	Currently being complied with, however recently QPRs were submitted late by PMO.

Description	Remarks/Issues
<p>Gender and Development</p> <p>23. The Borrower shall ensure, or cause BWDB to ensure, that (a) the GAP is implemented in accordance with its terms; (b) the bidding documents and contracts include relevant provisions for contractors to comply with the measures set forth in the GAP; (c) adequate resources are allocated for implementation of the GAP; and (d) progress on implementation of the GAP, including progress toward achieving key gender outcome and output targets, are regularly monitored and reported to ADB.</p>	Currently being complied with.
<p>Quality Assurance</p> <p>24. The Borrower shall cause BWDB to ensure (a) that all underwater works of riverbank protection facilities to be constructed under the Project are carried out in accordance with the applicable design standards, specifications and construction methods; (b) BWDB inspects each section completed under each Works contract using high-resolution underwater echo sound surveying equipment with technical specifications acceptable to ADB and through diving inspections; and (c) all survey and inspection results are made available to external experts and ADB upon request and are kept available for such purposes for a minimum period of five years from the date of the completion report for the Facility.</p>	Currently being complied with.
<p>Panel of Experts</p> <p>25. If and when ADB may so request from time to time, the Borrower shall cause BWDB to recruit and engage experts with qualifications, experience and terms of reference acceptable to ADB in order to analyze difficulties or constraints encountered in implementing the Investment Program or the Project, and advise on remedial measures or technological innovations to promote efficiency in project implementation.</p>	Currently not required.
<p>Inter-agency Coordination</p> <p>26. The Borrower shall cause BWDB to timely notify the Bangladesh Inland Water Transportation Authority, DDM and other relevant agencies of any areas where riverbank protection infrastructure will be or has been constructed. The Borrower shall cause BWDB to take necessary measures in consultation with such agencies to ensure that dredging or construction works undertaken by such agencies do not cause any damage to the riverbank protection infrastructure.</p>	Currently being complied with.
<p>Operation and Maintenance of Project Facilities</p> <p>27. The Borrower shall ensure, or cause BWDB to ensure, that (a) BWDB inspects and maintains the embankments, regulators and riverbank protection works rehabilitated or constructed under the Project in accordance with the operation and maintenance plans to be developed under the Investment Program and/or the Project; (b) BWDB submits annually to the Ministry of Water Resources budget requests with a separate line item to cover the cost of maintenance and repair of the embankments, riverbank protection works and regulators in accordance with such operation and maintenance plans; and (c) the Borrower allocates in its annual budget adequate resources for BWDB to carry out such maintenance and repair works and make the resources thus allocated available to BWDB on a quarterly basis.</p>	Currently being complied with.
<p>28. The Borrower shall cause BWDB to create strategic stockpiles of geo-textile bags for emergency riverbank protection works and repairs in accordance with the emergency and operation and maintenance plans to be developed under Investment Program and/or the Project.</p>	Currently being complied with.
<p>Road Map and Policy and Institutional Reforms</p> <p>29. The Borrower shall ensure, and cause BWDB to ensure, that it remains committed to the road map and the policy framework underlying the Investment Program and implement the policy and institutional reform actions identified under the road map in accordance with the time schedule set out therein.</p>	Currently being complied with.
<p>Policy Dialogue and Coordination with Development Partners</p> <p>30. The Borrower shall ensure, and cause BWDB to ensure, that ADB is kept informed, through the Water Consultative Committee or otherwise, of discussions (a) among government and quasigovernment bodies with responsibility for water sector development; and (b) with Japan International Cooperation Agency (JICA), the Government of the Netherlands, World Bank and other multilateral and bilateral agencies, that have implications for the implementation of the Investment Program, and shall provide ADB with an opportunity to comment on any proposed interventions in the water sector resulting from such discussions. The Borrower shall ensure, and cause BWDB to ensure, that ADB's views are taken into consideration before finalizing and implementing any such proposals.</p>	Currently being complied with, however, the Chief Engineer River Management should take the lead role to ensure this clause is fully complied.

Description	Remarks/Issues
<p>Financial Matters 31. The Borrower shall ensure, or cause BWDB to ensure, that the agreed financial management action plan set out in the PAM is implemented within the stipulated time frame and the progress toward achieving the targets, are monitored and reported to ADB.</p>	Partly complied with, some delays and activities ongoing
<p>Governance and Anticorruption 32. The Borrower and BWDB shall (a) comply with ADBs Anticorruption Policy (1998, as amended to date) and acknowledge that ADB reserves the right to investigate directly, or through its agents, any alleged corrupt, fraudulent, collusive or coercive practice relating to the Project; and (b) cooperate with any such investigation and extend all necessary assistance for satisfactory completion of such investigation.</p>	Currently being complied with.
<p>33. The Borrower and BWDB shall ensure that the anticorruption provisions acceptable to ADB are included in all bidding documents and contracts, including provisions specifying the right of ADB to audit and examine the records and accounts of the executing and implementing agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project.</p>	Currently being complied with.

B. Grant Covenants per Article IV of the Grant Agreement

Description	Remarks/Issues
<p>Section 4.01. In the carrying out of the Project and operation of the Project facilities, the Recipient shall perform, or cause to be performed, all obligations set forth in Schedule 4 to the ADB Loan Agreement.</p>	Currently being complied with.
<p>Section 4.02. ADB shall disclose the annual audited financial statements for the Project and the opinion of the auditors on the financial statements within 14 days of the date of ADB's confirmation of their acceptability by posting them on ADB's website.</p>	Not yet due.
<p>Section 4.03. The Recipient shall enable 'DB's representatives to inspect the Project, the Goods, Works and Services, and any relevant records and documents.</p>	Currently being complied with.
<p>Section 4.04. The Recipient acknowledges and agrees that this Grant Agreement is entered into by ADB, not in its individual capacity, but as grant administrator for the Government of Netherlands. Accordingly, the Recipient agrees that (a) it may only withdraw Grant proceeds to the extent that ADB has received proceeds for the Grant from the Government of Netherlands; and (b) that ADB does not assume any obligations or responsibilities of the Government of Netherlands in respect of the Project or the Grant other than those set out in this Grant Agreement.</p>	Currently being complied with.

Activities	Status	Date	Year 2023								Year 2024				
			May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
RP budget preparation	Planned	30 th Oct. 2023													
RP finalisation	Planned	30 th Nov. 2023													
RP implementation	Planned														
Monitor and report progress	Planned														
LR activities															
Mobilisation of skill training agencies	Planned	30 th Oct. 2023													
Confirmation with AHHS on skill training	Planned	30 th Oct. 2023													
Finalisation of skill training plans with budgets	Planned	30 th Dec. 2023													
Implementation of skill training	Planned														
Monitor and report progress	Planned	Through- out													
Land acquisition process															
DLAC meeting	Actual	5 th May 2023													
Identification of present status of land, structures, trees through videos and photos prior to publication of section 4(1) notice	Actual	22 nd May 2023													
Preparatory work and release of compensation amount to DC	Planned	5 th Nov. 2023													
Publication of preliminary notice of acquisition of property for public purpose [section 4 (1)]	Planned														
Completion of joint verification after publication of Section 4(1) notice, objection, hearing, report by DC, decision by government and including activities under sections 4-7	Planned	30 th Nov. 2023													
Monetary compensation of the affected	Planned														

Appendix 10: Revised Gender Action Plan

Output/Activities	Indicators and Targets	Responsibility	Timeframe
Output 1: Flood and riverbank erosion risk mitigation functioning at priority reaches improved			
1. Women benefit from employment in construction.	1.1. At least 5% of unskilled labor days allocated for women.	PMO and work contractors	Entire P2 implementation period
2. Gender-related aspect of labor standard including equal wage for women and men for equal work ensured.	2.1. All bidding documents incorporated provisions for core labor standards and equal pay. 2.2. At least one awareness program per package on GBV and community-based redress mechanism and disseminate information at worksites on the risks of STIs (Including HIV/AIDS) with 30% women participation.		
3. Occupational health and safety, safe water supply, sanitation (including separate toilets) ensured.	3.1. Orientation sessions on gender responsive occupational health and core labor standards conducted for 80 SMO staff (at least one orientation in each SMO and 90% relevant women staff) ^a and contractors/representatives/site managers 3.2. Provisions for either separate toilets for women on the project site or arrangements for use of facilities in nearby communities and/or HH.		
4. 110 community-based disaster management units established and their capacity developed.	4.1. A minimum of 35% of units led by women. 4.2. Community Flood Risk Assessment Report prepared in consultation with community (including 30% women) identifying: (i) risks for women, men, children and vulnerable groups; and (ii) disaster response coping mechanism related to flood and erosion warning. 4.3. Community Risk Reduction Plan (80 plans) specifying roles of women and men in disaster preparedness at HH and community levels; and risk reduction measures. 4.4. At least 30% women participated in public consultations held for location identified to build community flood markers. 4.5. Community-based flood warning procedures initiated with 50% applying flood warning mechanisms building on indigenous techniques and disseminating warning messages in relevant to local context/language in line with national warning network (Source: end-line beneficiary survey). 4.6. 50% of HH, including low-income HH, and poor women, living on the embankment have increased resilience and awareness of preventive measures at HH level [Source: end-line beneficiary survey].	PMU-DDM and community disaster management NGO	By end of P2
5. Training on gender awareness and leadership, and on participatory O&M on the infrastructure built conducted.	5.1. At least 30% women (including management committee members) reported to gain from the gender awareness and leadership training. 5.2. At least 30% women reported additional knowledge from the O&M training. 5.3. Information on GBV and community-based redress mechanism disseminated in every community.	PMO and community disaster management NGO	By end of P2

Output/Activities	Indicators and Targets	Responsibility	Timeframe
6. Due consultation with women in the affected areas on payment and provision of full compensation and transitional support conducted.	6.1. Full compensation for 100% women PAPs, as per resettlement plans entitlements provided. 6.2. Data on PAPs along with entitlement benefits, as per resettlement plans is sex-disaggregated. 6.3. Needs assessment for livelihood training, including for women, conducted. 6.4. At least 14 community groups ^b established and livelihood training conducted with at least 50% women participants.	PMO and Partner NGOs	Entire P2 implementation
Output 2: Institutional System for Flood and Riverbank Erosion Risk Management Strengthened			
7. Gender sensitization training for the BWDB officials conducted.	7.1. Existing gender-specific module updated to include awareness on GBV and community-based redress mechanism, and at least 10% women staff trained on the module.	BWDB	By end of P2
8. Capacity of women staff in BWDB built.	8.1 7 trainings (2 in BWDB HQ, 2 in design office and 3 in 3 SMOs) provided to at least 120 relevant staff in BWDB (at least 10% women staff).		
9. Gender-responsive ^c guideline for river management	9.1. One guideline developed (focus lower Jamuna) developed and submitted for endorsement to BWDB.	BWDB and PMO	By end of P2
Output 3: Program management systems operational			
10. MIS, quality control systems, accountability measures, and gender-sensitive project monitoring tools ^d established and used by PMO and SMOs.	10.1. Explicit gender equality objectives and indicators established at planning stage to strengthen accountability of progress made on gender equality issues and to ensure that gender is fully integrated throughout the system for appropriate collection, compilation, analysis, dissemination, and use of gender data for decision making. 10.2. Gender-sensitive monitoring tools developed to assess qualitative and quantitative data against objectives, measuring Project impacts on gender relations, the different priorities and needs of women and men, and determine gender aspects that need to be integrated into M&E systems. 10.3. The lessons learned and tools developed will be used to inform the design and systems of the follow-on project.	BWDB and PMO	By end of P2
11. Office of the Chief Engineer River Management staff with increased knowledge.	11.1. At least 60% of all staff and a minimum of 60% of female staff have increased knowledge on Adaptive Approach ^e	BWDB and PMO	By end of P2

BWDB = Bangladesh Water Development Board, DDM = Department of Disaster Management, GAP = gender action plan, GBV = gender-based violence, HH = households, HQ = headquarters, NGO = nongovernment organization, O&M = operation and maintenance, PAP = project-affected persons, PMO = project management office, PMU = project management unit, P2 = Project 2, SMO = subproject management office, STI = sexually transmitted disease.

^a SDE, Section Officers, surveyors and contractors site manager, site engineers and supervisors

^b Community groups are comprised of vulnerable people from the Project area.

^c Including, but not limited to, women's participation in consultations, surveys, accountability mechanisms, and collection and reporting on sex-disaggregated data.

^d Including explicit gender equality objectives and indicators. The M&E tools developed will assess qualitative and quantitative data measuring accountability of progress made on gender equality issues.

^e Adaptive Approach" refers to the adoption of flexible implementation to address ongoing morphological changes in the river with protection of riverbanks with launching aprons that are subsequently strengthened and built to the final scour depth with the deepening of the river.

Appendix 11: Cumulative Gender Action Plan Implementation Progress Report as of 20 MAY 2023

Activities and Targets	Cumulative Progress up to 20 th May 2023																									
Output 1: Flood and riverbank erosion risk mitigation functioning at priority reaches improved																										
<p>Activity-1: Women benefit from employment in construction. Target-1.1: At least 5% of unskilled labor days allocated for women.</p>	<p>Project-2: A total of 633 women labor days (1.17% of the total) out of a total of 53,949 unskilled labor days were worked in construction sites. Given the heavy weight and nature of work where 250 kg of geotextile bags filling, stitching, and dumping on the barges were required, the women were employed for cooking, cleaning, and washing purposes at the construction site office.</p> <p>Project-1 (Tranche-1): A total of 8.61% of unskilled women laborers worked in construction sites.</p>																									
<p>Activity-2: Gender-related aspect of labor standard including equal wage for women and men for equal work ensured. Target 2.1: All bidding documents incorporated provisions for core labor standards and equal pay. Target 2.2: At least one awareness program per package on GBV and community-based redress mechanism and disseminate information at worksites on the risks of STIs (including HIV/AIDS) with 30% women participation.</p>	<p>Project-2: 2.1: 8 nos. bidding documents have been prepared for civil work and core labor standards (equal pay for work of equal value, occupational health and safety, water supply, sanitation, segregated shelter, and facilities) information's included in all the bidding documents. The number of clauses is: ➤ GCC-clause #s 27,28,29.30 & 30.1 and sub-clauses #s 22,24,27, 27.1(a), 29.4, 31, 32, 33,34, 80 & 82. ➤ PCC- clause #s 97, 98 & 99</p> <p>2.2: Contractors are in the process to organize an awareness program on GBV & STIs including HIV/AIDS.</p> <p>Project-1 (T-1): 2.1: A total of 8 bid documents had the specific clause where unskilled laboring works were relevant and contractors could hire at least 5 % females as unskilled laborers in the work site. 2.2 N/A, because this target was not planned for project-1.</p>																									
<p>Activity 3: Occupational health and safety, safe water supply, sanitation (including separate toilets) ensured. Target-3.1: Orientation sessions on gender-responsive occupational health and core labor standards conducted for 80 SMO staff (at least one orientation in each SMO and 90% relevant women staff) and contractors/representatives/site managers.</p>	<p>Project-2: 3.1 ➤ A total of 64 participants (all available staff) from three SMOs (Tangail, Manikgonj, and Koitola), Contractors and ISPMC staff received training on environmental management, health & safety including gender-related core labor standards through five training batches. Following are the details of the participants:</p> <table border="1" data-bbox="846 1230 1587 1393"> <thead> <tr> <th>Name of area</th> <th>SMO</th> <th>Contractors</th> <th>ISPMC</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Tangail</td> <td>10</td> <td>06</td> <td>09</td> <td>25</td> </tr> <tr> <td>Manikgonj</td> <td>06</td> <td>04</td> <td>06</td> <td>16</td> </tr> <tr> <td>Koitola</td> <td>09</td> <td>07</td> <td>07</td> <td>23</td> </tr> <tr> <td>Total</td> <td>25</td> <td>17</td> <td>22</td> <td>64</td> </tr> </tbody> </table>	Name of area	SMO	Contractors	ISPMC	Total	Tangail	10	06	09	25	Manikgonj	06	04	06	16	Koitola	09	07	07	23	Total	25	17	22	64
Name of area	SMO	Contractors	ISPMC	Total																						
Tangail	10	06	09	25																						
Manikgonj	06	04	06	16																						
Koitola	09	07	07	23																						
Total	25	17	22	64																						

Activities and Targets	Cumulative Progress up to 20 th May 2023
<p>Target- 3.2: Provisions for either separate toilets for women on the project site or arrangements for use of facilities in nearby communities and/or HH.</p>	<p>A total of 16 staff (SMO Koitola-4, Contractors staff including labor representative-12) under Koitola SMO received training on GAP, social & gender clauses in bidding documents, and GAP reporting in FRERMIP-2. No female staff is available either in SMO or Contractor's office.</p> <p>Participants were XEN, SDE, Section officer, Site Manager, Site Supervisor, Site Engineer, Data Entry Operator, Surveyor, and some labor representatives and contractors' staff.</p> <p>3.2 Safe water supply and separate toilet facilities are available both for men and women at the project construction sites. Also provided Personal Protective Equipment (PPE) to all required staff, security guards & laborers.</p> <p>Project-1 (T-1):</p> <p>3.1: A total of four orientation training conducted in three SMOs in Manikgonj, Tangail, and Koitola on gender awareness and gender-related core labor standards. The total participants were 78, of whom 6 were women.</p> <p>3.2: Safety kits including medical supports were available for the workers at construction sites. Separate toilet facilities were available for women at the construction sites.</p>
<p>Activity-4: 160 community-based disaster management units established and their capacity developed.</p> <p>Target-4.1: A minimum of 35% of units led by women.</p> <p>Target-4.2: Community Flood Risk Assessment Report prepared in consultation with community (including 30% women) identifying: (i) risks for women, men, children and vulnerable groups; and (ii) disaster response coping mechanism related to flood and erosion warning.</p> <p>Target-4.3:</p> <p>Community Risk Reduction Plan (80 plans) specifying roles of women and men in disaster preparedness at HH and community levels; and risk reduction measures.</p> <p>Target-4.4:</p> <p>At least 30% women participated in public consultations held for location identified to build community flood markers.</p> <p>Target-4.5:</p> <p>Community-based flood warning procedures initiated with 50% applying flood warning mechanisms building on</p>	<p>Project-2:</p> <p>This work is related to disaster risk management and a draft ToR has been prepared for the recruitment of INGO under the Department of Disaster Management (DDM). ToR is under review by the ADB.</p> <p>MoU has been signed between BWDB and DDM on 6th February '23.</p> <p>Project-1 ((T-1):</p> <p>4.1: A total of 40 CDMUs were formed. The total number of volunteers was 605, and out of them, 244 (40.33%) were female. Women-led all (100%) CDMUs as leader/deputy leaders.</p> <p>4.2:</p> <ul style="list-style-type: none"> • A total of 57% of women and girls attended the community consultation sessions out of the targeted 35%. • A total of 77.14% of women participated in the community flood risk assessment as well as the development of the community risk reduction plan. <p>4.3: 40 community risk reduction plans were prepared in 40 CDMUs by the volunteers.</p> <p>4.4: 114 locations were identified out of the targeted 60 locations. % of women participation was not mentioned in the target.</p> <p>4.5:</p> <ul style="list-style-type: none"> • Established flood-warning mechanisms for the community people in all 40 (100%) units. • A total of 605 (244 women and 361 men) volunteers received five-day training from 40 CDMUs on flood warning procedures. • The end-line beneficiary survey was not conducted. The project conducted FGDs and individual

Activities and Targets	Cumulative Progress up to 20 th May 2023
<p>indigenous techniques and disseminating warning messages in relevant to local context/language in line with national warning network (Source: end-line beneficiary survey).</p> <p>Target 4.6: 50% of HH, including low-income HH, and poor women, living on the embankment have increased resilience and awareness of preventive measures at HH level [Source: end-line beneficiary survey].</p>	<p>interviews to assess the impact of the flood warning mechanisms. A total of 109 community people including volunteers, of whom 71 (65%) were women and girls participated, covering 8 CDMUs (20% of 40 CDMUs) in three locations of Manikgonj and Sirajgonj districts.</p> <p>4.6: 100% of the 60,000 identified beneficiary households, including low-income households, and poor women living on the embankment participated in the awareness-raising program.</p>
<p>Activity-5: Training on gender awareness and leadership, and on participatory O&M on the infrastructure built conducted.</p> <p>Target-5.1: At least 30% women (including management committee members) reported to gain from the gender awareness and leadership training.</p> <p>Target-5.2: At least 30% women reported additional knowledge from the O&M training.</p> <p>Target-5.3: Information on GBV and community-based redress mechanism disseminated in every community.</p>	<p>Project-2: This work is related to O & M NGO. ToR is under review by the ADB.</p> <p>Project-1 (T-1): This activity was not targeted for project-1.</p>
<p>Activity-6: Due consultation with women in the affected areas on payment and provision of full compensation and transitional support conducted.</p> <p>Target-6.1: Full compensation for 100% women PAPs, as per resettlement plans entitlements provided.</p> <p>Target-6.2: Data on PAPs along with entitlement benefits, as per resettlement plans is sex-disaggregated.</p> <p>Target-6.3: Needs assessment for livelihood training, including for women, conducted.</p>	<p>Project-2: This activity is related to the resettlement and livelihood activities implementation. The relevant NGO is yet to be on board. The revised ToR for selection of resettlement NGO is under review by the ADB and the ToR for livelihood activities is under review by the PMO.</p> <p>Project-1(T-1): 6.1: A total of 2,535 affected persons received resettlement benefits and replacement costs. Among them, 244 were women (100% of women PAPs paid). Total of 3,746 out of 4,256 entitled persons received cash compensation by law through the Deputy Commissioner's Office. Among them, 115 are women (100% women entitled persons paid).</p> <p>6.2: A total of 324 planning meetings were held where 16,200 persons attended, and out of them, female were 9,072 (56%).</p> <p>6.3 & 6.4: No achievement. Target has been transferred to Project 2.</p>

Activities and Targets	Cumulative Progress up to 20 th May 2023
<p>Target-6.4: At least 14 community groups established and livelihood training conducted with at least 50% women participants</p>	
<p>Output-2: Institutional System for Flood and Riverbank Erosion Risk Management Strengthened</p>	
<p>Activity- 7: Gender sensitization training for the BWDB officials conducted.</p> <p>Target 7.1: Existing gender-specific module updated to include awareness on GBV and community-based redress mechanism, and at least 10% women staff trained on the module.</p>	<p>Project-2: Updating of the existing module is in progress by the Social Development and Gender Specialist of ISPMC.</p> <p>Project-1(T-1): A gender-specific module was integrated with the BWDB training and training conducted with 40 participants, of whom 16 (40%) were women.</p>
<p>Activity-8: Capacity of women staff in BWDB built.</p> <p>Target 8.1: 7 trainings (2 in BWDB HQ, 2 in design office and 3 in 3 SMOs) provided to at least 120 relevant staff in BWDB (at least 10% women staff).</p>	<p>Project-2: The training activity is in process.</p> <p>Project-1(T-1): A total of five training programs were held, and out of those, two trainings were held in BWDB HQ, two were held with three SMOs, and one was in the design office. Total 132 participants, out of whom 57 (43.18%) were female. The participants were all staff of site offices and staff of design offices.</p>
<p>Activity-9: Gender-responsive guideline for river management</p> <p>Target-9.1: One guideline developed (focus lower Jamuna) and submitted for endorsement to BWDB.</p>	<p>Project-2: Not yet started</p> <p>Project-1(T-1): This activity was not targeted for Project-1.</p>
<p>Output 3: Program management systems operational</p>	
<p>Activity – 10: MIS, quality control systems, accountability measures, and gender-sensitive project monitoring tools established and used by PMO and SMOs.</p> <p>Target-10.1: Explicit gender equality objectives and indicators established at planning stage to strengthen accountability of progress made on gender equality issues and to ensure that gender is fully integrated throughout the system for appropriate collection, compilation, analysis, dissemination, and use of gender data for decision making.</p> <p>Target-10.2. Gender-sensitive monitoring tools developed to assess qualitative and quantitative data against objectives, measuring Project impacts on gender</p>	<p>Project-2:</p> <ul style="list-style-type: none"> • Gender equality objectives and indicators are set up in the project planning and GAP and it will continue at the end of the project. • It is in the process to develop an MIS system. <p>Project-1(T-1):</p> <ul style="list-style-type: none"> • Due to a shortage of funds, the establishment of the MIS system was dropped during the 1st revision of Project DPP (approved on 15 June 2017) and will be implemented under Project 2.

Activities and Targets	Cumulative Progress up to 20 th May 2023
<p>relations, the different priorities and needs of women and men, and determine gender aspects that need to be integrated into M&E systems.</p> <p>Target-10.3. The lessons learned and tools developed will be used to inform the design and systems of the follow-on project.</p>	
<p>Activity-11: Office of the Chief Engineer River Management staff with increased knowledge.</p> <p>Target-11.1: At least 60% of all staff and a minimum of 60% of female staff have increased knowledge on Adaptive Approach.</p>	<p>Project-2: Not yet started</p> <p>Project-1(T-1): This activity was not targeted for Project-1.</p>