

Bangladesh: Dhaka Sanitation Improvement

1. Project Information

Project ID:	P000240	Instrument ID:	L0240A
Member:	Bangladesh	Region:	Southern Asia
Sector:	Water	Sub-sector:	Water supply, sanitation, and wastewater treatment
Instrument type:	<input checked="" type="checkbox"/> Loan:170.00 US Dollar million <input type="checkbox"/> Guarantee	Co-financier(s):	World Bank
ES category:	A	Borrowing Entity:	Ministry of Finance, Bangladesh
Implementing Entity:	Dhaka Water Supply and Sewerage System (DWASA)		
Project Team Leader:	Jana Halida Uno		
Responsible DG:	Rajat Misra		
Responsible Department:	INF1		
Project Team Members:	Liu Yang, Project Counsel; Bernadette Ndeda, OSD - Procurement Specialist; Shonell Robinson, OSD - Financial Management Specialist; Sheikh Naveed Ahmed, OSD - Social Development Specialist; Gerardo Pio Parco, OSD - Environment Specialist;		
Completed Site Visits by AIIB:	Apr, 2021 Virtual implementation support mission with GoB and WB. May, 2022 Implementation support mission with GoB and WB. AIIB's social development specialist attended the mission in Dhaka on behalf of AIIB.		
Planned Site Visits by AIIB:	Nov, 2022 Field visit with GoB and WB.		
Current Red Flags Assigned:	1		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	0		
Previous Red Flags Assigned Date:	2021/09		

2. Project Summary and Objectives

Project objective is to increase access to safely-managed sanitation services in select areas of Dhaka City and to improve DWASA's efficiency for sanitation service delivery.

The project comprises the implementation of the first phase of the Dhaka Sewerage Master Plan, which was developed during the previous WB supported Dhaka Water Supply and Sanitation Project. The project entails comprehensive investments in sanitation infrastructure combining sewerage systems, wastewater treatment, sewerage and pilot measures for improved non-network sanitation. The project is expected to benefit about 1.5 million people, including about 50,000 people in low income communities.

The project consists of 5 components:

Component 1. Institutional Support for Sanitation Service Delivery (Total cost US\$7.08 million including

contingencies US\$0.17 million; IDA US\$3.54 million; Asian Infrastructure Investment Bank [AIIB] US\$3.54 million)

Component 2. Sewerage and Wastewater Treatment (Total cost US\$446.52 million including contingencies US\$9.01 million; IDA US\$154.3 million; AIIB US\$154.3 million; GoB US\$137.92 million)

Component 3. Alternative Sanitation (Total cost US\$8.46 million including contingencies US\$0.20 million; IDA US\$4.23 million; AIIB US\$4.23 million)

Component 4. Project Implementation and Management Support (Total cost US\$20.94 million including contingencies US\$0.25 million; IDA US\$7.93 million; AIIB US\$7.93 million; GoB US\$5.08 million)

Component 5. Contingent Emergency Response (US\$0)

3. Key Dates

Approval:	Apr. 16, 2020	Signing:	Sep. 01, 2020
Effective:	Feb. 25, 2021	Restructured (if any):	
Orig. Closing:	Jul. 31, 2025	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	1.17	Most recent disbursement (amount/date):	0.45/Jun. 03, 2022
Undisbursed:	168.83	Disbursement Ratio (%) ¹ :	0.69

5. Project Implementation Update

Currently, the Project Management Unit (PMU) has been officially formed with full time Project Director. The contracting process for key large contracts for works, delineated into 5 packages estimated to about \$340M (\$170 M from IDA and \$170M from AIIB) is progressing well. The packages include the Pagla wastewater treatment plant, trunk mains, and sewerage networks to maximize connections in the Pagla catchment. A good progress is observed on institutional support to DWASA for sustainable sanitation service delivery with the implementation of DWASA's capacity strengthening activities in the areas of commercial, financial, communications and public engagement with citizens.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Institutional Support for Sanitation Services	(i) Consultations and discussions relating to the new DWASA	N/A	The scope for strengthening of DWASA's Geographical Information Systems (GIS)

¹ Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

<p>Delivery (USD7.08 million): Capacity enhancement to strengthen DWASA's capacity to manage sanitation services efficiently and increase citizens' engagement to connect to sanitation systems and technical assistance to support coordination in the sanitation subsector.</p>	<p>Organogram are under progress and under the consideration of DWASA's Board. (ii) A committee that deals with IT in DWASA has already designed the scope for strengthening of DWASA's Geographical Information Systems (GIS) and Management Information System (MIS). (iii) The financial modelling exercises that are being carried out with the assistance of AFD/DANIDA and EIB, following which DWASA will take forward the work on the roadmap for tariff rationalization. (iv) The Project Implementation Committee (PIC) has been formed. Convened by DWASA, the PIC comprises other key city agencies and utilities. (v) DWASA have finalized the Terms of References for the implementation of the Communication and Stakeholders' Engagement Strategy, approved by DWASA during project preparation.</p>		<p>and Management Information System (MIS) has been designed. The TOR for implementation of the Communication and Stakeholders Engagement strategy have been finalized and reviewed by WB.</p>
<p>Sewerage and Wastewater Treatment (USD446.52 million): Reconstruction of two trunk mains, construction of new secondary and tertiary network as well as construction of a Wastewater Treatment Plant.</p>	<p>Good progress on the procurement process for the main large contracts for works for the Pagla wastewater treatment plant, Trunk Mains and sewerage networks. The support to the priority sewerage and wastewater treatment interventions in the Uttara catchment will be removed from the project as DWASA</p>	<p>E&S compliance with WB lead cofinancier</p>	<p>Bids were issued and received for all major 5 civil works packages (USD 342M) and technical evaluation is ongoing.</p>

	had identified other financing sources for both feasibility studies update and implementation.		
Non-Network Sanitation (USD8.46 million): Testing and demonstration of the feasibility of locally-adapted collection and treatment solutions.	The Government of Bangladesh (GoB's) Institutional and Regulatory Framework (IRF, City Corporations, 2017) accorded primary responsibility to the City Corporations for fecal sludge management (FSM) in Dhaka, with a technical support role for DWASA. Thus, DWASA will propose an appropriate institutional arrangement for the implementation of this component at this pilot phase and will share it in a consultation workshop facilitated by LGD.	E&S compliance with WB lead cofinancier	Not yet started
Project Implementation and Management Support (USD20.94 million): Project management support to DWASA in implementing and monitoring all project-related activities.	The full-time project Financial Management Specialist has been recruited and on-board. The social and environmental positions are now filled.	N/A	Selection of the design and supervision consultant is at an advanced stage. WB has issued a no objection. Proposals have been received for the PMC consultancy, evaluation is underway.
Contingent Emergency Response (USD0 million): A provisional zero amount component to allow for rapid reallocation of loan proceeds for emergency response	Standby component for potential reallocation due to national emergency	E&S compliance with WB lead cofinancier	Standby

Financial Management:

As per the WB led mission conducted in May 2022, the overall FM arrangements are deemed to be Moderately Satisfactory. The recruitment of the Project Financial Management Specialist has been completed and WB will conduct a training for the newly appointed FM staff at a mutually agreed time.

Considering that disbursement commenced in September 2021, the project started submitting IUFs for the reporting of expenditures and requesting of advances. IUFs up to March 2022 quarter have been submitted and reviewed by the WB.

The FY22 audit report under the Project will be due on Dec 31, 2022. DWASA will submit the Entity audited financial statement (of DWASA), incorporating project financing, as well as audit report prepared by FAPAD on the project financial statement.

The formation of the Project Audit Review Committee (PARC) has been completed. The committee has already met once. The Project will engage a private chartered accountant to conduct internal audit based on an agreed term of reference (ToR). A draft ToR will be shared by the Project by July 15, 2022, for the Bank's endorsement.

6. Status of the Grievance Redress Mechanism (GRM)

DWASA is in the process of establishing two GRMs, one of which will deal with grievances about any irregularities in applying the stipulations adopted in the ERSMF and other issues transpiring from the project activities. The second GRM will deal exclusively with grievances/complaints that may involve workers employed by the construction contractors and subcontractors/suppliers. The GRM will be established close to the inception of civil works.

7. Results Monitoring

The project is at the initial stage, nothing to report for this reporting period.

Project Objective Indicators #1

People provided with access to safely-managed sanitation services

Year	Target	Actual	Comments, if any
Dec. 31, 2024	1.5 million	0	Baseline: 0

Project Objective Indicators #2

People provided with access to safely-managed sanitation services (females)

Year	Target	Actual	Comments, if any
Dec. 31, 2024	0.75 million	0	Baseline: 0

Project Objective Indicators #3

Operating Ratio for DWASA combined Operations (Water and Sewerage) maintained below 0.7 (Yes/No)

Year	Target	Actual	Comments, if any
Dec. 31, 2024	Yes	No	Baseline: No

Intermediate Result Indicators #1

DWASA sewerage GIS strengthened

Year	Target	Actual	Comments, if any
Dec. 31, 2024	Yes	No	Baseline: No

Intermediate Result Indicators #2

Sewerage Connection Strategy and Plan developed and implemented under DWASA's oversight according to plan

Year	Target	Actual	Comments, if any
Dec. 31, 2024	Yes	No	Baseline: No

Intermediate Result Indicators #3

Experienced STP operator contracted for a minimum of 3 years

Year	Target	Actual	Comments, if any
Dec. 31, 2024	Yes	No	Baseline: No

Intermediate Result Indicators #4

Length of Trunk Mains completed

Year	Target	Actual	Comments, if any
Dec. 31, 2024	18	0	Baseline: 0

Intermediate Result Indicators #5

Household sewer connections resulting from project interventions

Year	Target	Actual	Comments, if any
Dec. 31, 2024	50000	26000	Baseline: 26000

Intermediate Result Indicators #6

Volume of sewage collected from the Pagla catchment and flowing to Pagla STP

Year	Target	Actual	Comments, if any
Dec. 31, 2024	150	0	Baseline: 0

Intermediate Result Indicators #7

Quality of effluent discharge from the Pagla STP

Year	Target	Actual	Comments, if any
Dec. 31, 2024	70	0	Baseline: 0

Intermediate Result Indicators #8

People benefiting from safely - managed sanitation in Pagla Catchment

Year	Target	Actual	Comments, if any
Jul. 30, 2025	100,000	0	Baseline: 0

Intermediate Result Indicators #9

People in low- income settlements provided with sanitation services

Year	Target	Actual	Comments, if any
Dec. 31, 2024	50,000	0	Baseline: 0

Intermediate Result Indicators #10

DWASA maintaining a Grievance Redressal Mechanism Grievance

Year	Target	Actual	Comments, if any
Dec. 31, 2024	Yes	No	Baseline: No

Intermediate Result Indicators #11

Percentage of female DWASA employees provided with technical leadership and orientation trainings

Year	Target	Actual	Comments, if any
Dec. 31, 2024	60%	0	Baseline: 0

Intermediate Result Indicators #12

Percentage of beneficiary households that expressed satisfaction with service provision

Year	Target	Actual	Comments, if any
Dec. 31, 2024	50%	0	Baseline: 0

Intermediate Result Indicators #13

Percentage of female -headed beneficiary households satisfied with services

Year	Target	Actual	Comments, if any
Dec. 31, 2024	50%	0	Baseline: 0

Intermediate Result Indicators #14

Percentage of complaints redressed within stipulated redressal period

Year	Target	Actual	Comments, if any
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Dec. 31, 2024	70%	0	Baseline: 0
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Intermediate Result Indicators #15

Percentage of female staff who achieve career progression through getting relevant placement after receiving technical, management, leadership and orientation training (percentage)

Year	Target	Actual	Comments, if any
Dec. 31, 2024	5%	0	Baseline: 0

Remarks: