



Project Summary Information

Date of Document Preparation: October 16, 2020	
Project Name	Rural Water, Sanitation and Hygiene for Human Capital Development Project
Document Code	PD000398-PSI-BGD
AIIB member	People's Republic of Bangladesh
Sector/Subsector	Water/Water and Sanitation
Status of Financing	Approved
Project Description	<p>The Project will be co-financed with the World Bank (WB) and has the following six components:</p> <ul style="list-style-type: none"> • Component 1: Investments in water supply. (i) Investments in large piped water schemes to support water scarce communities of 300-700 households; (ii) Investments in small piped water schemes to support water scarce communities of 30-40 households; (iii) Household water facility improvements through household loans from Micro-Finance Institutions (MFIs); (iv) Provision of MFI loans to local water entrepreneurs; and (v) Feasibility studies in high climate risk regions to identify sources for drinking water and examine technological options and their financial viability in Southern Bangladesh. • Component 2: Investments in sanitation and hygiene. (i) Investments in sanitation and hygiene facilities in high pedestrian traffic locations, community health clinics, and other public spaces; (ii) Investments in sanitation and hygiene facilities for households such as two-pit latrines and hand-washing stations; (iii) Provision of MFI loans to local sanitation and hygiene entrepreneurs to expand their businesses and offer them training on proper installation and maintenance; (iv) Promotion of innovative water and sanitation technologies, especially in fecal sludge management; (v) Behavioral change communication (BCC) campaign to carry out activities to change water, sanitation and hygiene behaviors and raise awareness and willingness to pay. • Component 3: Institutional strengthening. (i) Support for drafting policy documents that would be critical in implementing the newly drafted National Strategy for Water Supply and Sanitation; and (ii) Capacity building for targeted central and local government officials working in the sector.

	<ul style="list-style-type: none"> • Component 4: Project implementation and management. Support for key project management activities enabling the implementing agencies to coordinate and implement the proposed Project. • Component 5: COVID-19 emergency response. Provision of quick, just-in-time water and sanitation services, where needed, to cope with the fast changing COVID-19 situation. • Component 6: Contingent emergency response. Provisional zero amount component to allow for rapid reallocation of loan proceeds from other project components during an emergency.
Objective	The Project's objectives are (i) to improve access to 'safely-managed' water supply and sanitation in selected areas of rural Bangladesh; and (ii) to strengthen sector institutional capacity for water and sanitation.
Expected Results	(i) The number of people provided with access to 'safely-managed' water services; (ii) The number of people provided with access to 'safely-managed' sanitation services; and (iii) The number of Upazilas with monitoring system established and in use.
Environmental and Social Category	WB Category: Moderate (equivalent to Category B if the Environmental and Social Policy (ESP) of AIIB were applicable)
Environmental and Social Information	<p>The Project will be co-financed with the WB as lead co-financier, and its environmental and social (ES) risks and impacts have been assessed in accordance with the WB's Environmental and Social Framework (ESF). To ensure a harmonized approach to addressing the ES risks and impacts of the Project, and as permitted under AIIB's ESP, the WB's ESF will apply to the Project in lieu of AIIB's ESP. AIIB has reviewed the WB's ESF and is satisfied that: (a) it is consistent with AIIB's Articles of Agreement and materially consistent with the provisions of AIIB's ESP, including the ES Exclusion List and the relevant ES Standards; and (b) the monitoring procedures that are in place are appropriate for the Project.</p> <p>In general, the Project interventions are small-scale in nature, so they are not expected to have any significant or unmitigable ES impacts. The WB has categorized the ES risks of the Project as "Moderate" (which is equivalent to Category B if AIIB's ESP were applicable). Specific sites are yet to be determined, thus an Environmental and Social Management Framework (ESMF) has been prepared. The ESMF includes policy, procedures and directives on the assessment of specific ES risks</p>

	<p>applicable to the Project and provides guidance to mitigate them. In line with the requirement of the WB's ESF, a Stakeholder Engagement Plan, Labor Management Procedure, and Environmental and Social Commitment Plan have been developed.</p> <p>Stakeholder identification and engagement, consultation and communication were carried out. ES instruments and the Bengali summaries of ES instruments were disclosed in-country^{1 2} and on the WB's website³. Hard copies of the documents will also be made available in all field offices during implementation. AIIB's website⁴ has included links to the documentation on the WB's website.</p> <p>A Project-level Grievance Redress Mechanism (GRM) will be set up before Project implementation to address grievances and receive feedback from all stakeholders in a timely manner, and will include channels where physical presence is not required to lodge a complaint, given the COVID-19 situation in the country. A basic GRM has been outlined for the workers to report any issues related to workplace safety and other concerns. The GRM will be cognizant of and follow required levels of discretion, and cultural appropriateness, especially when dealing with cases of sexual harassment and Gender-Based Violence.</p>										
<p>Cost and Financing Plan</p>	<p>The total cost of the Project is estimated as USD550.5 million, for which AIIB and WB (IDA) will each co-finance USD200 million. The tentative financing plan is shown in the table below:</p> <table border="1" data-bbox="506 858 1563 1061"> <thead> <tr> <th>Financier</th> <th>Amount (USD million)</th> </tr> </thead> <tbody> <tr> <td>AIIB</td> <td>200</td> </tr> <tr> <td>World Bank (IDA Credit)</td> <td>200</td> </tr> <tr> <td>Government of Bangladesh</td> <td>150.5</td> </tr> <tr> <td>Total</td> <td>550.5</td> </tr> </tbody> </table>	Financier	Amount (USD million)	AIIB	200	World Bank (IDA Credit)	200	Government of Bangladesh	150.5	Total	550.5
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<p>Borrower</p>	<p>People's Republic of Bangladesh</p>										

¹ <http://www.dphe.gov.bd/site/view/notices>

² http://pkf-bd.org/web/?page_id=8081

³ <https://projects.worldbank.org/en/projects-operations/document-detail/P169342>

⁴ <https://www.aiib.org/en/projects/details/2020/proposed/Bangladesh-Rural-Water-Sanitation-and-Hygiene-for-Human-Capital-Development-Project.html>

Implementing Entity	Department of Public Health Engineering (DPHE) under the Ministry of Local Government, Rural Development & Cooperatives; and Palli Karma-Sahayak Foundation (PKSF) under the Ministry of Finance			
Implementation Period	Start Date: November 2020 End Date: May 2025			
Expected Loan Closing Date	November 20, 2025			
Contact Points:	AiIB	World Bank	Borrower	Implementing Agency
Name	Mr. Ankur Agrawal	Ms. Rokeya Ahmed	Mr. Md. Shahriar Kader Siddiky	Mr. Saifur Rahman
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Date of Concept Decision	May 26, 2020			
Date of Appraisal Decision	September 8, 2020			
Date of Financing Approval	October 16, 2020			

Independent Accountability Mechanism	<p>As noted above, the WB's ESF will apply to this Project instead of AiIB's ESP. Pursuant to AiIB's agreement with WB, AiIB will rely on WB's corporate Grievance Redress Service (GRS) and its Independent Accountability Mechanism, the Inspection Panel, to handle complaints relating to ES issues that may arise under the Project. Consequently, in accordance with AiIB's Policy on the Project-affected People's Mechanism (PPM), submissions to the PPM under this Project will not be eligible for consideration by the PPM.</p> <p>Information on WB's corporate GRS is available at http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service. Information on WB's Inspection Panel is available at http://www.inspectionpanel.org.</p>
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