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**Informe del Presidente**  
**Propuesta de préstamo**  
**República Popular de Bangladesh**  
**Programa de Transformación Agrícola y Rural en**  
**favor de la Nutrición, la Capacidad Empresarial y la**  
**Resiliencia**

N.º de identificación del programa: 2000003884

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**Para aprobación**

**Medida:** Se invita a la Junta Ejecutiva a que apruebe la recomendación que figura en el párrafo 68.

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**Preguntas técnicas:**

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- I. Negotiated financing agreement
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### Equipo encargado de la ejecución del programa

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## Mapa de la zona del programa



Las denominaciones empleadas y la forma en que aparecen presentados los datos en este mapa no suponen juicio alguno del FIDA respecto de la demarcación de las fronteras o límites que figuran en él ni acerca de las autoridades competentes.

Mapa elaborado por el FIDA | 19-8-2022

## Resumen de la financiación

<b>Institución iniciadora:</b>	Banco Mundial
<b>Prestatario/receptor:</b>	Ministerio de Finanzas
<b>Organismo de ejecución:</b>	Ministerio de Agricultura
<b>Costo total del programa:</b>	USD 1 343 millones
<b>Monto del préstamo del FIDA:</b>	USD 43 millones
<b>Condiciones del préstamo del FIDA:</b>	Combinadas: 25 años, incluido un período de gracia de 5 años, con un cargo por servicio del 0,75 % anual y una tasa de interés del 1,25 % anual en derechos especiales de giro (ajustes para préstamos en una sola moneda)
<b>Cofinanciador:</b>	Asociación Internacional de Fomento
<b>Monto de la cofinanciación:</b>	USD 500 millones
<b>Condiciones de la cofinanciación:</b>	Préstamo
<b>Contribución del prestatario/receptor:</b>	USD 800 millones
<b>Institución cooperante:</b>	Banco Mundial

## I. Contexto

### A. Contexto nacional y justificación de la actuación del FIDA

#### Contexto nacional

1. Bangladesh ha logrado un rápido progreso social y económico en las últimas décadas, y alcanzó la condición de país de ingreso mediano bajo en 2015. La tasa de pobreza nacional se redujo del 48,9 % al 24,5 % entre 2000 y 2016, mientras que la pobreza extrema pasó del 34,3 % al 13,0 %. Sin embargo, la tasa de reducción de la pobreza se ha ralentizado en los últimos años, aunque el crecimiento se haya acelerado.
2. El crecimiento del producto interno bruto (PIB) se redujo al 3,4 % en 2020 como resultado de las restricciones impuestas a raíz de la COVID-19, pero se recuperó en los ejercicios económicos de 2021 y 2022, hasta un 7,2 % en el ejercicio económico de 2022, según las estimaciones, a medida que el consumo privado y la inversión aumentaron. Asimismo, la inflación creció hasta el 7,5 % (julio de 2022), frente al 5,3 % registrado el año anterior, tras la subida de los precios de los productos básicos en todo el mundo por la guerra en Ucrania, lo que afectó de manera desproporcionada a la población pobre.
3. En 2019, el 20,5 % de la población vivía por debajo del umbral de pobreza y el 10,5 % sufría pobreza extrema. Durante el período comprendido entre 2018 y 2020, la tasa nacional de subalimentación era del 9,7 % (15,9 millones), mientras que la prevalencia de la inseguridad alimentaria grave era del 10,5 %. Esa prevalencia, moderada o grave, era del 31,9 %, si bien los datos ponen de manifiesto una diversificación gradual de las dietas.
4. Con el objetivo de lograr la condición de país de ingreso mediano alto para 2031, Bangladesh tiene que crear empleo y oportunidades laborales desarrollando un entorno empresarial competitivo mediante la diversificación de las exportaciones, la inversión en capital humano, la construcción de infraestructura eficiente, el fortalecimiento del sector financiero y el establecimiento de un entorno de políticas que atraiga la inversión privada.

#### Aspectos específicos relativos a las esferas transversales prioritarias del FIDA

5. **Mujeres.** Las oportunidades laborales para las mujeres son escasas: la tasa de empleo de las mujeres del medio rural es del 38,6 %, frente al 80,3 % de los hombres. Las mujeres en el sector rural ocupan puestos mal remunerados, mientras que los hombres, en promedio, ganan un 21 % más. Además, asumen la mayor parte de la responsabilidad del cuidado de sus familias y tienen un acceso y un control limitados sobre los recursos y las finanzas. Las normas sociales y culturales siguen impidiendo a las mujeres vender productos en los mercados o participar en actividades económicas fuera del hogar.
6. **Juventud.** El porcentaje de jóvenes con edades comprendidas entre los 15 y los 29 años que no estudia ni trabaja es del 30 %, del que un 87 % son mujeres. Este porcentaje ha aumentado desde 2010. Por otra parte, el desempleo es mayor en las zonas rurales que en las urbanas. Las personas jóvenes normalmente no cuentan con medios (tierras, recursos y activos) para crear sus propias empresas rurales.
7. **Nutrición.** Según una [encuesta de indicadores múltiples por conglomerados de 2019](#), el 28 % de los niños en edad preescolar sufría de retraso del crecimiento, el 23 % tenía un peso inferior al normal, alrededor del 10 % estaba clasificado como víctima de la emaciación y el 2,4 % de los niños menores de 5 años presentaba carencias de micronutrientes y corría el riesgo de sufrir malnutrición. Más de la mitad de las mujeres de Bangladesh padecen deficiencia energética crónica, y el 36,7 % de las mujeres en edad reproductiva tienen anemia.

8. **Clima.** Según un [modelo de evaluación integrado del Banco Asiático de Desarrollo \(2014\)](#), las pérdidas originadas por el cambio climático podrían representar anualmente hasta el 9 % del PIB. Se prevé un aumento de las temperaturas medias y de las precipitaciones anuales, con lo que se alargará la estación del monzón, se incrementará la probabilidad de que se produzcan inundaciones y se alterarán los calendarios de cultivo. El aumento del nivel del mar supone una amenaza para las zonas costeras en forma de pérdida de tierras y de salinización de las aguas subterráneas. Esos efectos podrían dar lugar a 13 millones de [migrantes internos por el cambio climático para 2050](#).

#### **Razones que justifican la intervención del FIDA**

9. El Gobierno de Bangladesh se puso en contacto con el FIDA con el fin de que apoyara su programa insignia para la transformación del sector, que dirigía el Banco Mundial, habida cuenta de la sólida relación entre las dos entidades. Existe una estrecha consonancia entre los objetivos del Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia (PARTNER) y el [Programa sobre Oportunidades Estratégicas Nacionales \(COSOP\) para el período 2023-2028 relativo a Bangladesh](#) del FIDA, dado que el primero promoverá la diversificación, la inocuidad de los alimentos, la capacidad empresarial y la resiliencia de las cadenas de valor agroalimentarias de Bangladesh.
10. El FIDA participó activamente en el diseño general del programa y colaboró estrechamente con el Banco Mundial y el Gobierno a lo largo de todo el proceso. Además, aprovechará su experiencia en distintos convenios de cofinanciación de préstamos basados en los resultados, como el [Programa de Competitividad Agrícola y Ganadera basado en Resultados](#) en el Senegal.
11. Al cofinanciar el Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia con un monto de USD 43 millones, el FIDA podrá introducir un mecanismo de programa por resultados (PporR) en su cartera en Bangladesh y adquirir más experiencia en los préstamos basados en los resultados. Además, y lo que es más importante, el FIDA podrá influir en la transformación del sector agrícola de Bangladesh al tener una mayor visibilidad y participar en el diálogo sobre políticas, pese a que únicamente contribuya al 3,2 % de los costos totales.
12. El enfoque del PporR es muy adecuado para apoyar la aplicación del Plan de Acción de la [Política Nacional de Agricultura](#). Este plan de acción se formuló para un período inicial de cinco años (2021-2025), mientras que la Política Nacional de Agricultura en su conjunto ofrece orientaciones para un período de 10 años (2018-2028). El Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia también será la primera operación de préstamo basado en los resultados en el sector agrícola de Bangladesh, lo que constituye un hecho histórico.

#### **B. Enseñanzas extraídas**

13. En el [examen final del COSOP relativo a Bangladesh \(2022\)](#) se constató que los proyectos del FIDA en el país han contribuido a lo siguiente: i) la reducción de la pobreza mediante la creación de oportunidades laborales y un ecosistema de apoyo para las empresas rurales; ii) el respaldo a intervenciones de gran envergadura en los medios de vida, los servicios y la infraestructura de las zonas rurales; iii) la promoción de la adaptación al clima y los medios de vida sostenibles para la población rural pobre, y iv) la adopción de un enfoque de desarrollo de las cadenas de valor que permite un aumento directo de los ingresos para un gran número de beneficiarios.

14. Los proyectos del FIDA lograron llegar a las zonas del país más empobrecidas y más vulnerables desde el punto de vista climático, y la mayoría de sus beneficiarios fueron mujeres y pequeños productores marginados y en situación de pobreza extrema. Los medios de vida resilientes al clima que se promovieron en el marco del [Proyecto de Desarrollo y Colonización de las Chars – Fase IV](#), el [Proyecto de Mejora de la Infraestructura y los Medios de Vida en las Haor](#) y el [Proyecto de Promoción de la Resiliencia de las Personas Vulnerables mediante el Acceso a la Infraestructura, la Mejora de sus Competencias y la Información](#) han generado excelentes resultados.
15. El FIDA ha aprovechado la experiencia adquirida en proyectos en curso como el [Proyecto de Promoción de la Comercialización y las Empresas Agropecuarias](#), el [Programa Nacional de Tecnología Agrícola – Proyecto Fase 2](#) y el [Proyecto de Competitividad de la Agricultura en Pequeña Escala](#), en los que se está capacitando a los productores que se dedican a la agricultura de subsistencia para que participen en los sistemas de producción orientados al mercado y se coordinen con otras partes interesadas de las cadenas de valor. Los enfoques de las cadenas de valor para el desarrollo de empresas agrícolas y de otro tipo, junto con los servicios financieros (por ejemplo, en el [Proyecto de Financiación para el Desarrollo Empresarial y la Creación de Empleo](#) y el [Proyecto de Transformación de las Microempresas Rurales](#)), han servido para diversificar satisfactoriamente los ingresos y transformar los medios de vida.

## II. Descripción del programa

### A. Objetivos, zona geográfica de intervención y grupos objetivo

16. **El objetivo** del Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia es lograr una transformación agrícola en favor de la diversificación hacia cultivos de alto valor y la seguridad alimentaria y nutricional, además de aumentar la resiliencia a largo plazo del sector frente al cambio climático.
17. **El objetivo de desarrollo** es promover la diversificación, la inocuidad de los alimentos, la capacidad empresarial y la resiliencia al clima en los sistemas agroalimentarios de Bangladesh por conducto de tres esferas de resultados, a saber: i) fomentar la producción sostenible de alimentos nutritivos; ii) aumentar la capacidad empresarial y el acceso a los servicios en todos los eslabones de las cadenas de valor y iii) modernizar las instituciones y políticas para la transformación agrícola.
18. De conformidad con las directrices del FIDA, la estrategia de focalización se basa en mecanismos geográficos y de autofocalización. Se estima que aproximadamente 5 millones de pequeños agricultores, de los que al menos el 40 % serán mujeres y el 50 %, jóvenes, se beneficiarán de las actividades del programa. Este se ejecutará en todo el país.

### B. Componentes, efectos directos y actividades

19. Las tres esferas de resultados que se mencionan a continuación corresponden a los componentes del programa. Estas esferas se dividen a su vez en 10 indicadores vinculados a los desembolsos.
  - i) **Esfera de resultados 1: Fomentar la producción sostenible de alimentos nutritivos.** Esta esfera tiene como objetivo aumentar la productividad de todos los cultivos básicos, como los cereales, las legumbres, las frutas, las hortalizas y las especias, mediante la promoción de la diversificación agrícola, el incremento de la inocuidad de los alimentos en las explotaciones y el aumento la resiliencia al clima del sector.

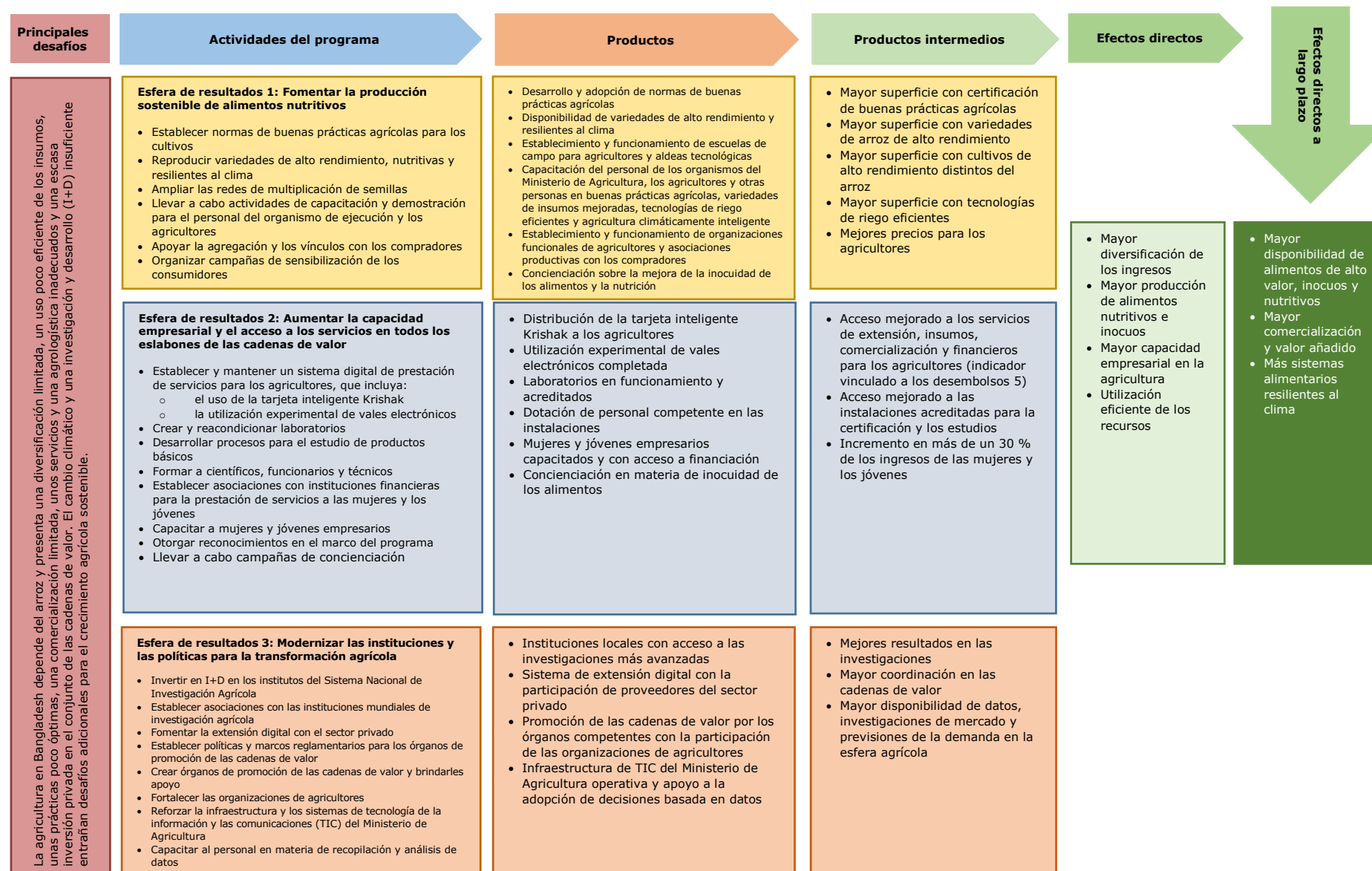
- ii) **Esfera de resultados 2: Aumentar la capacidad empresarial y el acceso a los servicios en todos los eslabones de las cadenas de valor.** Esta esfera se plantea como objetivos aumentar la eficiencia en la prestación de servicios y la concesión de subvenciones a los agricultores, contribuir a la reforma del sistema de inocuidad de los alimentos mediante la potenciación de los medios de los laboratorios de pruebas nacionales y promover el acceso a mejores mercados.
- iii) **Esfera de resultados 3: Modernizar las instituciones y las políticas para la transformación agrícola.** Esta esfera tiene como finalidades reformar el sistema de investigación, educación y extensión en la esfera agrícola; mejorar la coordinación y promoción de las cadenas de valor y aumentar la eficiencia, la eficacia, la coordinación y la gestión de la información de las políticas y programas agrícolas.

### C. Teoría del cambio

20. La teoría del cambio del programa se presenta en el Gráfico 1. Este programa se centrará en lo siguiente: i) la superficie de terreno agrícola cada vez más reducida disponible para alimentar a una creciente población; ii) los sistemas de producción centrados en el arroz, con una escasa diversificación de cultivos; iii) la menor tasa de rendimiento de la producción de arroz con respecto a la producción hortícola, y iv) la continua prevalencia de la malnutrición. Para dar respuesta a estas cuestiones hay que reorientar las prioridades estratégicas del sector agrícola hacia una diversificación más rápida, al tiempo que se reducen las diferencias en el rendimiento de la producción de arroz. A tal fin, habrá que concentrar las inversiones en la investigación, los servicios de extensión, la inocuidad de los alimentos, las organizaciones de las cadenas de valor, la capacidad empresarial y un uso más eficiente de los insumos para promover la diversificación en el sector. El Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia también contempla la utilización experimental de vales electrónicos como mecanismo eficiente de concesión de subvenciones a los insumos con el fin de extraer enseñanzas que permitan reconfigurar el programa vigente de subvenciones a los fertilizantes. Este enfoque servirá para preservar los logros alcanzados a la hora de garantizar la seguridad alimentaria y, al mismo tiempo, dar un nuevo impulso a la transformación agrícola y aumentar la resiliencia al clima del sector. Sin embargo, se ha renunciado al seguimiento oficial de la financiación para el clima.



Gráfico 1  
Teoría del cambio del Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia



## D. Armonización, sentido de apropiación y asociaciones

21. El Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia dará respuesta a los objetivos de las políticas de Bangladesh y contribuirá a sus principales prioridades estratégicas, como se establece en el [Octavo Plan Quinquenal](#), a saber: reducir la pobreza extrema al 5 % y la pobreza moderada al 12 % (Objetivo de Desarrollo Sostenible (ODS) 1), financiando una parte del Plan de Acción de la Política Nacional de Agricultura del Ministerio de Agricultura.
22. Todo ello se ajusta al [Plan Delta 2100 de Bangladesh](#), que tiene como finalidad lograr la seguridad alimentaria y de los recursos hídricos, el crecimiento económico y la sostenibilidad ambiental a largo plazo, sin dejar de reducir de manera eficaz la vulnerabilidad al cambio climático y otros desafíos que existen en el delta. El [Plan Prospectivo de Bangladesh 2021-2041](#) y el [Marco de Cooperación de las Naciones Unidas para el Desarrollo Sostenible \(2022-2026\)](#) son los otros documentos de orientación.
23. El programa contribuirá a la consecución del ODS 1 a través de un aumento sostenible de los ingresos de las familias pobres de agricultores y de los jóvenes empresarios de las zonas rurales, así como del ODS 2 mediante la mejora de la seguridad alimentaria y nutricional de los hogares beneficiarios. Asimismo, el programa contribuirá al ODS 5 y al ODS 13 a través de sus diferentes actividades e iniciativas.
24. Los indicadores vinculados a los desembolsos tienen un vínculo claro con el [Marco Estratégico del FIDA \(2016-2025\)](#) y el COSOP relativo a Bangladesh. Los cuatro indicadores vinculados a los desembolsos (1-4) de la esfera de resultados 1 están vinculados al objetivo estratégico 1 del FIDA y los indicadores 5, 7 y 9 lo están al objetivo estratégico 2 del FIDA, así como al objetivo estratégico 2 del COSOP.

## E. Costos, beneficios y financiación

### Costos del programa

### Financiación y estrategia y plan de cofinanciación

25. El programa se ejecutará en el período comprendido entre 2023 y 2028, con un presupuesto total de USD 1 343 millones. La Asociación Internacional de Fomento (AIF) aportará USD 500 millones (el 37,2 %) y el FIDA, USD 43 millones (el 3,2 %). La contribución del Gobierno abarcará los USD 800 millones restantes, que corresponde al presupuesto disponible de los programas aprobados y en curso del Ministerio de Agricultura que se ajustan a las esferas de resultados del programa (USD 625 millones) y a una contribución adicional de USD 175 millones. Se aplicarán las políticas del Banco Mundial para la financiación de impuestos a todos los gastos del programa, también los cofinanciados por el FIDA. En el siguiente Cuadro 1 se detalla la financiación del programa.

Cuadro 1

**Resumen del plan de financiación del Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia**  
(en millones de dólares de los Estados Unidos)

<i>Fuente</i>	<i>Monto</i>	<i>Porcentaje del total de la financiación (%)</i>
<b>1. Gobierno de Bangladesh</b>	<b>800</b>	<b>59,6</b>
1.1. Presupuesto disponible de los programas aprobados y en curso del Gobierno	625	46,6
1.2. Presupuesto adicional	175	13,0
<b>2. Asociados para el desarrollo</b>	<b>543</b>	<b>40,4</b>
2.1. Banco Mundial-AIF	500	37,2
2.2. FIDA	43	3,2
<b>Total</b>	<b>1 343</b>	<b>100</b>

Cuadro 2

**Costos del programa, desglosados por esfera de resultados, indicador vinculado a los desembolsos y entidad financiadora**

(en miles de dólares de los Estados Unidos)

<i>Esfera de resultado (Componente)</i>	<i>Indicador vinculado a los desembolsos (Subcomponente)</i>	<i>Asignación</i>		
		<i>Total</i>	<i>AIF</i>	<i>FIDA</i>
<b>Esfera de resultados 1:</b> Fomentar la producción sostenible de alimentos nutritivos	Indicador vinculado a los desembolsos 1: Elaboración, puesta en marcha y adopción de normas de buenas prácticas agrícolas para la producción de frutas y hortalizas (hectárea)	59 730	55 000	4 730
	Indicador vinculado a los desembolsos 2: Reproducción y utilización de variedades de arroz de alto rendimiento (hectárea)	55 386	51 000	4 386
	Indicador vinculado a los desembolsos 3: Diversificación hacia cultivos de legumbres, oleaginosas, hortalizas y cereales distintos del arroz(hectárea)	65 160	60 000	5 160
	Indicador vinculado a los desembolsos 4: Adopción de tecnologías de riego mejoradas y eficientes por los agricultores (hectárea)	59 730	55 000	4 730
<b>Esfera de resultados 2:</b> Aumentar la capacidad empresarial y el acceso a los servicios en todos los eslabones de las cadenas de valor	Indicador vinculado a los desembolsos 5: Expansión de la prestación de servicios agrícolas digitales a través de la tarjeta inteligente Krishak (número)	70 590	65 000	5 590
	Indicador vinculado a los desembolsos 6: Fomento de la acreditación de certificados de semillas y procesos de pruebas de la inocuidad de los alimentos (número)	34 752	32 000	2 752
	Indicador vinculado a los desembolsos 7: Promoción de la capacidad empresarial agroalimentaria de los jóvenes y las mujeres (número)	42 354	39 000	3 354
<b>Esfera de resultados 3:</b> Modernizar las instituciones y las políticas para la transformación agrícola	Indicador vinculado a los desembolsos 8: Aumento de las actividades de I+D para nuevas tecnologías e innovaciones y desarrollo de un sistema de evaluación operacional para los servicios de extensión y los institutos del Sistema Nacional de Investigación Agrícola (porcentaje)	99 912	92 000	7 912
	Indicador vinculado a los desembolsos 9: Establecimiento y funcionamiento de órganos de promoción de las cadenas de valor para determinados productos básicos (número)	30 408	28 000	2 408
	Indicador vinculado a los desembolsos 10: Mejora del sistema de información de la calidad (estadísticas agrícolas y servicios de investigación de los mercados que abarquen los mercados extranjeros) (número)	24 978	23 000	1 978
<b>Asignación total</b>		<b>543 000</b>	<b>500 000</b>	<b>43 000</b>

Cuadro 3

**Costos del programa del FIDA, desglosados por esfera de resultados, indicador vinculado a los desembolsos y año del programa**

(en miles dólares de los Estados Unidos)

<i>Esfera de resultados</i>	<i>Indicador vinculado a los desembolsos</i>	<i>Primer año</i>	<i>Segundo año</i>	<i>Tercer año</i>	<i>Cuarto año</i>	<i>Quinto año</i>	<i>Total</i>
<b>Esfera de resultados 1:</b> Fomentar la producción sostenible de alimentos nutritivos	Indicador vinculado a los desembolsos 1	258	516	1 204	1 032	1 720	4 730
	Indicador vinculado a los desembolsos 2	241	877	877	877	1 514	4 386
	Indicador vinculado a los desembolsos 3	-	1 032	1 135	1 135	1 858	5 160
	Indicador vinculado a los desembolsos 4	344	0	877	877	2 632	4 730
<b>Esfera de resultados 2:</b> Aumentar la capacidad empresarial y el acceso a los servicios en todos los eslabones de las cadenas de valor	Indicador vinculado a los desembolsos 5	430	387	1 290	1 935	1 548	5 590
	Indicador vinculado a los desembolsos 6	-	396	550	1 419	387	2 752
	Indicador vinculado a los desembolsos 7	-	490	1 006	1 084	387	3 354
<b>Esfera de resultados 3:</b> Modernizar las instituciones y las políticas para la transformación agrícola	Indicador vinculado a los desembolsos 8	791	1 582	1 582	1 582	2 374	7 912
	Indicador vinculado a los desembolsos 9	430	-	791	1 187	-	2 408
	Indicador vinculado a los desembolsos 10	-	439	662	662	215	1 978
<b>Asignación total</b>		<b>2 494</b>	<b>5 719</b>	<b>9 976</b>	<b>11 791</b>	<b>13 020</b>	<b>43 000</b>

**Desembolsos**

26. Los desembolsos estarán sujetos a que el Gobierno facilite al FIDA y al Banco Mundial datos satisfactorios sobre la consecución de los respectivos resultados vinculados a los desembolsos, que serán objeto de comprobaciones por un organismo de verificación independiente.
27. El Banco Mundial revisará todas las solicitudes de retiro de fondos y aconsejará al FIDA que proceda a realizar el pago necesario, si así lo considera. Los recursos del FIDA se asignarán a los 10 indicadores vinculados a los desembolsos aplicando un mecanismo de desembolso *pari passu* en cada solicitud de retiro de fondos. Todos los fondos se retirarán a una cuenta única de tesorería del Gobierno (fondo consolidado) en el Banco de Bangladesh, en taka de Bangladesh (BDT).
28. El Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia proporcionará un anticipo equivalente a un máximo de USD 135 millones (de los que USD 10 millones procederán del FIDA). Se hará un ajuste del anticipo con respecto a los desembolsos que se deban efectuar al lograr los resultados vinculados a los desembolsos, o en años posteriores del programa. Los montos recuperados del anticipo estarán disponibles para nuevos anticipos. Si no se logran los resultados vinculados a los desembolsos, habría que proceder al reembolso del anticipo.

**Resumen de los beneficios y análisis económico**

29. Se emplearon dos metodologías para evaluar el impacto económico del programa: i) una simulación de la matriz de contabilidad social, y ii) un análisis económico *ex ante*. En ambos casos los resultados fueron positivos.

30. La inversión del programa incrementará el PIB de Bangladesh en un 0,33 %. Al ingresar una suma fija de USD 718 millones en cuentas de inversión externa para el sector agrícola, el modelo multiplicador de la matriz de contabilidad social establece que la economía recibirá una inyección de USD 1 120 millones de PIB adicional, o el 0,33 % del PIB del ejercicio económico 2020/21.
31. Se estima que la tasa interna de rendimiento económico del programa será del 33 % y que este tendrá un valor actual neto económico de USD 1 902 millones (con una tasa de descuento del 15 %).
32. El programa es un sumidero neto de carbono con respecto a los valores de referencia, dado que emitirá 59 241 057 toneladas de dióxido de carbono equivalente (tCO<sub>2</sub>e) en 20 años y unas 2 962 053 tCO<sub>2</sub>e al año. Sin embargo, las emisiones brutas son positivas, con 126 365 259 tCO<sub>2</sub>e en 20 años. La gestión mejorada de los recursos hídricos para el riego del arroz suponía el mayor efecto mitigador, con una reducción de unos 87,8 millones de tCO<sub>2</sub>e en emisiones.

**Estrategia de salida y sostenibilidad** En los PporR, la financiación inicial procede de los presupuestos sectoriales nacionales, lo que garantiza la disponibilidad de fondos. También se desembolsará hasta un 25 % de la financiación del Banco Mundial y del FIDA como anticipo para la puesta en marcha del programa. Se están desplegando misiones periódicas, así como un sistema de verificación y control, a fin de asegurar que los gastos efectuados y las asignaciones con cargo al presupuesto público se ajusten al objetivo del programa.

### III. Gestión de riesgos

#### A. Riesgos y medidas de mitigación

34. De conformidad con las directrices del FIDA para el diseño de proyectos de mayo de 2022, el riesgo de los proyectos de tipo C es asumido por la institución iniciadora del programa, en este caso, el Banco Mundial. En el apéndice III figura un resumen.
35. Los Procedimientos del FIDA para la Evaluación Social, Ambiental y Climática (PESAC) no abarcan orientaciones específicas para las operaciones de préstamos basados en los resultados o PporR. De conformidad con los requisitos de los PESAC para la reunión de examen del diseño, el equipo de ejecución del programa ha preparado un diagnóstico de los PESAC que puede consultarse sin necesidad de disponer de conexión a Internet.
36. El riesgo vinculado a la capacidad institucional de ejecución y sostenibilidad es "considerable". La coordinación de diversos organismos competentes del Ministerio de Agricultura planteará desafíos, pero las medidas de mitigación abarcan un marco institucional que combina una unidad de coordinación del programa dentro del Departamento de Servicios de Extensión Agrícola y unidades de coordinación del programa en cada uno de los siete organismos de ejecución con atribuciones claras para la obtención de indicadores vinculados a los desembolsos concretos. En la evaluación de la capacidad institucional también se detectaron necesidades en materia de desarrollo de la capacidad dentro del Ministerio de Agricultura y los siete organismos de ejecución.
37. **Riesgo fiduciario (considerable).** El riesgo relativo a las adquisiciones y contrataciones es "considerable" teniendo en cuenta las posibles demoras al inicio de los procesos de adquisición y contratación y la limitada capacidad para llevar a cabo esos procesos, por ejemplo, las evaluaciones de las ofertas y la gestión de los contratos. El riesgo inherente en materia de gestión financiera también es "considerable", habida cuenta del gran número de organismos competentes del Ministerio de Agricultura que participarán en los procesos de ejecución y de adquisiciones y contrataciones. Este riesgo se mitigará con i) un personal específico capacitado en gestión financiera y adquisiciones y contrataciones en cada una de las unidades de coordinación del programa de los organismos de ejecución y un

manual exhaustivo de gestión financiera; ii) la aplicación del Manual integrado de clasificación presupuestaria y contable del país en el marco del programa; iii) la preparación y puesta en práctica de un plan de modernización de la auditoría interna, que abarque las auditorías internas basadas en los riesgos; iv) la conciliación periódica, y v) la constitución de un comité de resolución de las observaciones de las auditorías en el Ministerio de Agricultura que se reunirá dos veces al año para adoptar las medidas oportunas a fin de resolver todas las irregularidades financieras graves del programa.

Cuadro 4

**Calificación general de los riesgos**

<i>Tipo de riesgo</i>	<i>Calificación del riesgo inherente</i>	<i>Calificación del riesgo residual</i>
Contexto nacional	Considerable	Moderado
Estrategias y políticas sectoriales	Moderado	Moderado
Medio ambiente y clima	Alto	Considerable
Alcance del programa	Considerable	Moderado
Capacidad institucional de ejecución y sostenibilidad	Moderado	Bajo
Gestión financiera	Considerable	Moderado
Adquisiciones y contrataciones en el marco del programa	Considerable	Moderado
Impacto ambiental, social y climático	Moderado	Bajo
Partes interesadas	Moderado	Moderado
<b>Riesgo general</b>	Considerable	Moderado

**B. Categoría ambiental y social**

38. El Banco Mundial llevó a cabo una [evaluación de sistemas sociales y ambientales \(ESSA\)](#) para detectar los posibles riesgos y oportunidades. En esa evaluación se examinan los procedimientos y sistemas públicos pertinentes para abordar las cuestiones ambientales y sociales en el marco del Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia. También se describe si las políticas, las leyes, los procedimientos del programa y los sistemas institucionales del Gobierno en materia ambiental y social son conformes a los seis principios básicos de las [orientaciones del Banco Mundial](#) sobre la gestión ambiental y social en las operaciones de PporR.
39. El programa excluirá aquellas actividades con posibles repercusiones ambientales y sociales negativas y significativas que sean problemáticas, irreversibles o no tengan precedentes.

**C. Clasificación del riesgo climático**

40. La clasificación del riesgo climático del FIDA no se aplica. El Fondo se ajustará a los procedimientos de la evaluación de sistemas sociales y ambientales. El Banco Mundial considera que el riesgo climático es alto.

**D. Sostenibilidad de la deuda**

41. Según el [análisis de la sostenibilidad de la deuda de abril de 2022 realizado conjuntamente por el Banco Mundial y el Fondo Monetario Internacional](#), Bangladesh sigue presentando un riesgo bajo de sobreendeudamiento externo y total. Pese a reducir su umbral de capacidad de endeudamiento, los indicadores de deuda externa e interna se encuentran por debajo de sus respectivos umbrales con arreglo a las hipótesis básica y de las pruebas de tensión a raíz de una revisión a la baja, en la que pasaron de sólidos a intermedios.

## IV. Ejecución

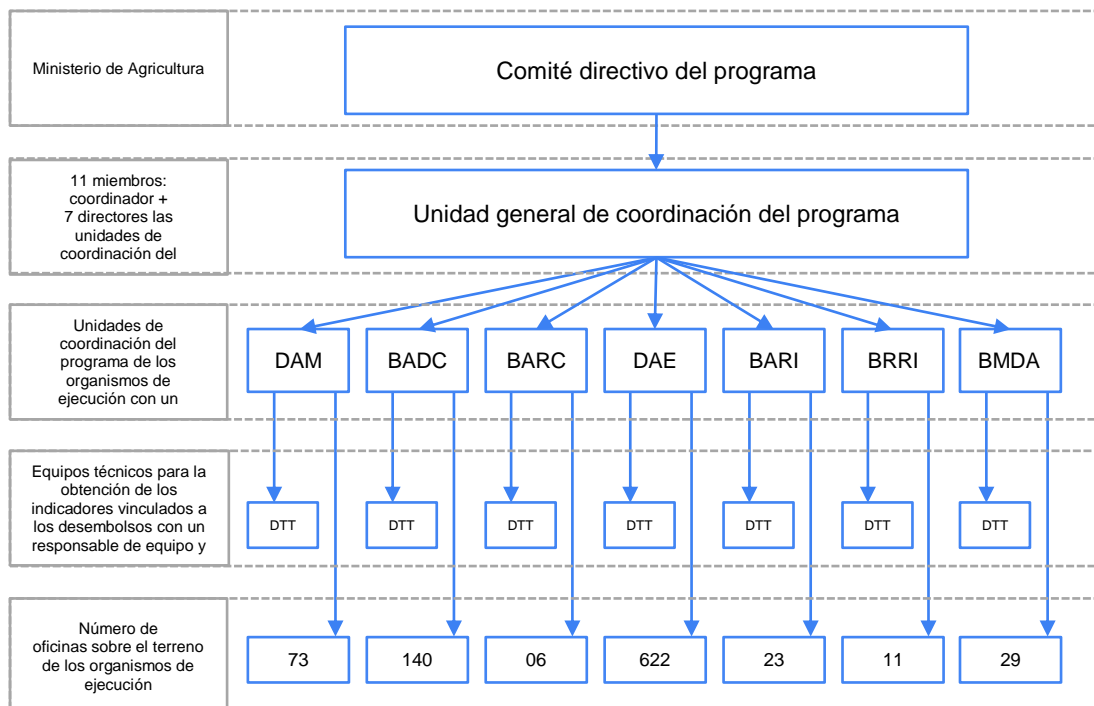
### A. Marco organizativo

#### Gestión y coordinación del programa

42. El programa hará uso del sistema gubernamental a la hora de aplicar las disposiciones relativas a la ejecución, la supervisión, la gestión financiera, las adquisiciones y contrataciones, las salvaguardias, el seguimiento y la evaluación (SyE) y la presentación de información. El comité directivo del programa, la unidad general de coordinación del programa y las unidades de coordinación del programa de los organismos de ejecución, así como los equipos técnicos para la obtención de los indicadores vinculados a los desembolsos que ejecutan y supervisan el Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia, estarán compuestos casi exclusivamente por el personal que está trabajando en los siete organismos de ejecución, al que se le pedirá que contribuya al programa, además de continuar con sus funciones actuales (Gráfico 2).
43. El comité directivo del programa, encabezado por la Secretaría del Ministerio de Agricultura y compuesto por las direcciones de los organismos de ejecución, proporcionará orientaciones estratégicas generales, aprobará los planes de actividad y los presupuestos anuales, supervisará la marcha general de la ejecución, facilitará la coordinación interinstitucional y resolverá las cuestiones pendientes que requieran la adopción de decisiones de más alto nivel.

Gráfico 2

#### Marco institucional del Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia



Nota: DAM: Departamento de Comercialización Agrícola; BADC: Corporación de Desarrollo Agrícola de Bangladesh; BARC: Consejo de Investigación Agrícola de Bangladesh; DAE: Departamento de Servicios de Extensión Agrícola; BARI: Instituto de Investigación Agrícola de Bangladesh; BRRRI: Instituto de Investigación sobre el Arroz de Bangladesh; BMDA: Autoridad de Desarrollo de Propósitos Múltiples de Barind, y DTT: equipos técnicos para la obtención de los indicadores vinculados a los desembolsos

### **Gestión financiera, adquisiciones y contrataciones, y gobernanza**

44. El Banco Mundial llevó a cabo una evaluación integrada de los sistemas fiduciarios para el Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia que abarcaba análisis independientes de los riesgos y las medidas de mitigación relacionadas con las adquisiciones y contrataciones, la gestión financiera, la gobernanza y la corrupción.
45. La evaluación de la gestión financiera se preparó tomando como base la [Evaluación del gasto público y la responsabilidad financiera \(2016\)](#) y la puntuación indicativa de Bangladesh en 2021, así como las actualizaciones sobre la aplicación del [Plan de Acción para la Reforma de la Gestión Financiera Pública \(2018-2023\)](#). Además, sintetiza los resultados de las consultas mantenidas con las principales partes interesadas.
46. Sobre la base de las conclusiones iniciales, la evaluación concluyó que el sistema fiduciario del programa era adecuado, lo que ofrecía unas garantías razonables de que los recursos de la financiación se emplearían para los fines previstos.
47. El Departamento de Servicios de Extensión Agrícola presentará las solicitudes de retiro de fondos para los anticipos destinados a la obtención de los indicadores vinculados a los desembolsos, además de los valores de cada uno de esos indicadores cuando se alcancen los resultados vinculados a los desembolsos.
48. Los gastos del programa se canalizarán a través del sistema de presupuestación iBAS++, que también se empleará para preparar los estados financieros anuales del programa.
49. Se ha constatado que los sistemas de adquisiciones y contrataciones ofrecen garantías razonables para la consecución de los resultados del programa. Además, en la evaluación se analizó la gestión de los riesgos relacionados con el fraude y la corrupción por parte de los sistemas de gobernanza de Bangladesh, así como la mitigación de esos riesgos.
50. No habrá una actividad de adquisiciones y contrataciones de gran valor en el marco del programa. Los organismos correspondientes informarán al Banco Mundial si surgen contratos sustanciales durante la ejecución. Los informes sobre la gestión de los contratos y los sistemas fiduciarios se verificarán a lo largo de la ejecución para detectar contratos de gran valor.
51. La Dirección de Auditoría de Proyectos con Financiación Externa y el Contralor y Auditor General se encargarán de la auditoría del programa.
52. Habida cuenta del volumen del programa y la capacidad del auditor, se acordó que la duración de la auditoría sería de nueve meses. Como exención a la sección 9.03 b) de las Condiciones Generales del FIDA, se solicita a la Junta Ejecutiva que apruebe la presentación de los estados financieros anuales auditados nueve meses después del cierre de cada ejercicio económico. Los informes de auditoría, incluidos los de la auditoría interna y las cartas sobre asuntos de gestión, se pondrán a disposición del FIDA. Si se producen demoras, el FIDA aplicará medidas correctivas en coordinación con el Banco Mundial.
53. Se pondrán en práctica en el programa las directrices del Banco Mundial contra la corrupción para los PporR de 2016. El Gobierno de Bangladesh empleará sus propios sistemas nacionales para adoptar las medidas adecuadas para prevenir el fraude y la corrupción en el contexto del programa, así como para remediar esas situaciones o evitar su que vuelvan a ocurrir.

### **Participación y observaciones del grupo objetivo y resolución de reclamaciones**

54. Se ha realizado un estudio preparatorio a fin de establecer un sistema de resolución de reclamaciones. Se están teniendo en cuenta las observaciones formuladas por el Banco Mundial.



55. Las comunidades y las personas que se consideren perjudicadas por las actividades del programa, según la definición de las políticas y los procedimientos aplicables, pueden presentar sus quejas a través del mecanismo de resolución de reclamaciones o el [Servicio de Atención a Reclamos del Banco Mundial](#).

## **B. Planificación, seguimiento y evaluación, aprendizaje, gestión de los conocimientos y comunicación**

56. El marco de resultados del programa, que abarca un conjunto de indicadores de resultados y un plan de SyE se examinó durante la misión de diseño previa a la evaluación. En la misión se acordaron los indicadores de los objetivos de desarrollo, los indicadores de resultados intermedios y los indicadores vinculados a los desembolsos del programa para cuantificar los resultados. Los indicadores básicos del FIDA se han incorporado al marco de resultados y definido como tales en el marco lógico del Sistema de Gestión de los Resultados Operacionales (ORMS). El documento de la evaluación del programa contiene información detallada sobre los indicadores de resultados.
57. El documento de la evaluación del programa incluye los protocolos de verificación de los indicadores vinculados a los desembolsos. Además del examen del organismo de verificación independiente, el Banco Mundial y el FIDA revisarán los datos correspondientes a esos indicadores durante la ejecución para determinar si se han cumplido. El proceso también servirá para la formulación de observaciones dirigidas a corregir el rumbo durante la ejecución.

**Innovación y ampliación de la escala** El Programa de Transformación Agrícola y Rural en favor de la Nutrición, la Capacidad Empresarial y la Resiliencia abarca una serie de innovaciones, como la introducción de tarjetas inteligentes, variedades de semillas mejoradas (de alto rendimiento, ricas en nutrientes, con bajas emisiones de carbono, tolerantes al estrés, híbridas, etc.) y la investigación y el desarrollo en tecnologías agrícolas modernas. Todas estas innovaciones ofrecen posibilidades de ampliación de escala y se ajustan al Plan de Acción de la Política Nacional de Agricultura.

## **C. Planes para la ejecución**

### **Preparación para la ejecución y planes para la puesta en marcha**

59. Está previsto que, en el contexto del programa, se utilicen los sistemas de los que ya dispone el Gobierno en materia de SyE, adquisiciones y contrataciones y gestión fiduciaria para aplicar el Plan de Acción de la Política Nacional de Agricultura. Antes de la puesta en marcha, en el manual de ejecución del programa, se detallarán las actividades iniciales.

### **Supervisión, examen de mitad de período y planes de finalización**

60. Si bien el Banco Mundial será el responsable oficial de la supervisión del programa, las misiones de supervisión se coordinarán con el FIDA y el Gobierno. Se llevará a cabo una misión al menos cada 12 meses, con un seguimiento periódico de los informes sobre los progresos realizados y los resultados.
61. El enfoque basado en los resultados del programa exige una capacidad mejorada de SyE durante la ejecución. Un mecanismo de varios niveles dirigido por la unidad de coordinación del programa y en el que participarán los organismos de ejecución recibirá asistencia técnica durante el programa para mejorar la capacidad de SyE. La unidad de coordinación del programa contará con un sistema de información de gestión fundamentado en el programa.
62. A comienzos del tercer año de ejecución se organizará el examen de mitad de período. Ese examen será conforme a los procedimientos del Banco Mundial. El FIDA participará en él para velar por la adecuación a las políticas y los procedimientos pertinentes.

63. El Gobierno pondrá en marcha el examen final del programa a partir de las directrices del FIDA y el Banco Mundial. Ese examen será revisado por terceros y recogerá la consecución de los objetivos generales y los objetivos del programa, las enseñanzas extraídas durante la ejecución y las posibilidades para la ampliación de escala.

## **V. Instrumentos jurídicos y facultades**

64. Un convenio de financiación entre la República Popular de Bangladesh y el FIDA constituye el instrumento jurídico para la concesión de la financiación propuesta al prestatario/receptor. Se adjunta como apéndice I una copia del convenio de financiación negociado.
65. El Banco Mundial y el FIDA firmarán una carta de nombramiento para la ejecución del programa.
66. La República Popular de Bangladesh está facultada por su legislación para recibir financiación del FIDA.
67. Me consta que la financiación propuesta se ajusta a lo dispuesto en el Convenio Constitutivo del FIDA y en sus Políticas y Criterios en materia de Financiación.

## **VI. Recomendación**

68. Recomiendo a la Junta Ejecutiva que apruebe la financiación propuesta con arreglo a lo dispuesto en la siguiente resolución:

RESUELVE: que el Fondo conceda un préstamo en condiciones combinadas a la República Popular de Bangladesh por un monto de cuarenta y tres millones de dólares de los Estados Unidos (USD 43 000 000), conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

Álvaro Lario  
Presidente

## Negotiated financing agreement

### Program on Agricultural and Rural Transformation for Nutrition, Entrepreneurship, and Resilience (PARTNER)

(Negotiations concluded on 26 April 2023)

Loan No: \_\_\_\_\_

Program on Agricultural and Rural Transformation for Nutrition, Entrepreneurship, and Resilience ("PARTNER" or "the Programme")

The People's Republic of Bangladesh (the "Borrower")

and

The International Fund for Agricultural Development (the "Fund" or "IFAD")

(each a "Party" and both of them collectively the "Parties")

**Whereas** the Borrower has requested a loan from the Fund for the purpose of financing the Programme described in Schedule 1 to this Agreement;

**WHEREAS**, the Programme shall be co-financed by the International Development Association ("the Association" or "IDA") with the amount of five hundred million United States dollars (USD 500 000 000 – "IDA Financing"). The Borrower and the International Development Association have entered into a Financing Agreement dated \_\_\_\_\_ to provide financing for the Programme ("IDA Agreement");

**Whereas**, the Fund has agreed to provide financing for the Programme;

**Now Therefore**, the Parties hereby agree as follows:

#### Section A

1. The following documents collectively form this Agreement: this document, the Programme Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).
2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2022, and as may be amended hereafter from time to time (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement, and all provisions thereof shall apply to this Agreement, except for the provisions identified in Section E paragraph 4 below. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.
3. The Fund shall provide a Loan (the "Financing") to the Borrower, which the Borrower shall use to implement the Programme in accordance with the terms and conditions of this Agreement.

#### Section B

1. The amount of the loan is thirty-one million nine hundred fifty thousand Special Drawing Rights (SDR 31 950 000).
2. The Loan is granted on blend terms, and shall be subject to interest on the principal amount outstanding and a service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board. The interest rate and service charge determined will be fixed for the life cycle of the loan and payable semi-annually in the Loan Service Payment Currency, and shall have a maturity period of twenty-five (25) years, including a grace period of five (5) years starting from the date of approval of the Loan by the Fund's Executive Board.  
The principal of the Loan granted on blend terms will be repaid in equal instalments.
3. The Loan Service Payment Currency shall be in United States dollars.
4. The first day of the applicable Fiscal Year shall be 1 July.
5. Payments of principal and interest and service charge shall be payable on each 01 April and 01 October.
6. All withdrawals from the Loan Account will be made into a consolidated fund account (Treasury Account) in Bangladesh Taka maintained at the Bangladesh Bank. The Borrower shall inform the Fund of the detail bank information.
7. The Borrower shall provide counterpart financing for the Programme in the amount of eight hundred million United States dollars (USD 800 000 000) comprising the available budget of the Ministry of Agriculture's (MoAs) ongoing and approved programmes that are aligned with PARTNER's Result Area.

### **Section C**

1. The Lead Programme Agency shall be the Ministry of Agriculture (MoA).
2. The following are designated as additional Programme Parties: Department of Agricultural Extension (DAE) as the lead implementing agency; Bangladesh Rice Research Institute (BRRI), Bangladesh Agricultural Research Institute (BARI); Bangladesh Agricultural Research Council (BARC); Bangladesh Agricultural Development Corporation (BADC); Barind Multi-Purpose Development Authority (BMDA); Department of Agricultural Marketing (DAM).
3. The Programme Completion Date shall be 31<sup>st</sup> December 2028, or a later date agreed upon by the Parties.

### **Section D**

1. The Financing shall be administered and the Programme supervised by the International Development Association as the Cooperating Institution.

### **Section E**

1. The following are designated as additional grounds for suspension of this Agreement:
  - (a) The Programme Operations Manual (PIM or POM) and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund/IDA and the Fund, after consultation with the Borrower, has determined that it has had, or is likely to have, a material adverse effect on the Programme.

- (b) In the event that the Borrower did not request a disbursement of the Financing, following the first 18 months, for a period of at least 12 consecutive months without justification.
  - (c) the Letter of Appointment with IDA, as further defined in Article III of the General Conditions, has failed to enter into full force and effect within 180 days of the date of this Agreement, and substitute funds are not available to the Borrower.
  - (d) the right of the Borrower to withdraw the proceeds of the IDA Financing has been suspended, cancelled or terminated, in whole or in part, or the IDA Financing has become due and payable prior to the agreed maturity thereof; or any event has occurred which, with notice or the passage of time, could result in any of the foregoing.
2. The following are designated as additional grounds for cancellation of this Agreement:
- (a) In the event that the Borrower did not request a disbursement of the Financing for a period of at least 12 months without justification; and
  - (b) The IDA Agreement shall have been cancelled.
3. The following are designated as additional conditions precedent to withdrawal:
- (a) The Letter of Appointment, as further defined in Article III of the GCs / or the Co-financing Agreement has entered into full force and effect;
  - (b) Withdrawal conditions for IDA Financing have been fully complied with; and
  - (c) The Government has furnished satisfactory evidence to IDA and IFAD that it has achieved the Intermediate Results Indicators of the respective Disbursement-Linked Results (DLRs), set out in Annex to Schedule 2 verified through an Independent Verification Agency (IVA).
4. The following provisions of the General Conditions of IFAD shall not apply to this Agreement:
- (a) Section 2.01 (Financing Closing Date): Financing Closing Date means the date on which the right of the Borrower to request withdrawals from the Loan Account ends, which is six months after the Programme Completion Date of 31 December 2028 or such later date as the Fund may designate by notice to the Borrower;
  - (b) Section 7.05 (Procurement): for purposes of this Agreement, all goods, works and consulting services to be financed out of the proceeds of the Loan shall be subject to the IDA Agreement, as may be amended from time to time. (d) Article 9 (Financial Reporting and Information): the financial reporting system of the Borrower shall be in accordance with Section \_\_\_\_, Schedule \_\_\_\_ of the IDA Agreement; and
  - (c) Article 8.03 (Progress Reports and Mid-Term Reviews): The MTR will be conducted according to IDA Agreement and the WB's applicable procedure, and IFAD will participate in the review to ensure alignment with IFAD's relevant policy and procedures; and.

(d) Article 9.03 (Audit of Accounts): The audited financial statements shall be submitted by the Borrower nine months after each fiscal year-end, to align with the IDA timeframe for audit report submission.

5. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Borrower:

[click and type title of the representative]  
[click and type the name and address of the ministry]

For the Fund:

[click and type Title]  
International Fund for Agricultural Development  
Via Paolo di Dono 44  
00142 Rome, Italy

If applicable, the Parties accept the validity of any qualified electronic signature used for the signature of this Agreement and recognise the latter as equivalent to a hand-written signature.

This Agreement, dated \_\_\_\_\_, has been prepared in the English language in two (2) original copies, one (1) for the Fund and one (1) for the Borrower.

PEOPLE’S REPUBLIC OF BANGLADESH

\_\_\_\_\_  
"[Authorised Representative Name]"  
"[Authorised Representative title]"

Date: \_\_\_\_\_

INTERNATIONAL FUND FOR  
AGRICULTURAL DEVELOPMENT

\_\_\_\_\_  
Alvario Lario Hervas  
President

Date: \_\_\_\_\_

## **Schedule 1**

### *Programme Description and Implementation Arrangements*

#### **I. Programme Description**

The Programme shall be the same as described in Schedule 1 of the IDA Agreement, as such may be amended by the Parties thereto from time to time.

The Programme shall be implemented in accordance with the provision of Schedule 2 of the IDA Agreement, as such may be amended by the Parties thereto from time to time.

**Schedule 2**  
*Allocation Table*

1. *Allocation of Loan Proceeds.* (a) The Table below sets forth the Categories of Eligible Expenditures to be financed by the Loan (including the Disbursement Link Indicators as applicable) ("Category") and the allocation of the amounts to each category of the Financing. The amount allocated will be disbursed with the IDA financing for this programme on a *pari passu* basis applied at each disbursement.

<b>(Including Disbursement Linked Indicator as applicable)</b>	<b>Allocated- Inclusive of Taxes (Expressed in SDR)</b>
(1) DLI#1 - Development, rollout, and adoption of GAP standards in fruit and vegetable production	3 500 000
(2) DLI#2 - Development and adoption of high yielding rice varieties	3 250 000
(3) DLI#3 - Crop diversification towards non-rice cereals, pulses, oilseeds, and horticulture crops	3 850 000
(4) DLI#4 - Adoption of improved and efficient irrigation technologies by farmers	3 550 000
(5) DLI#5 - Expansion of digital agricultural service provision through 'Krishak Smart Card'	4 150 000
(6) DLI#6 - Promotion of the accreditation of seed certification and food safety testing processes	2 050 000
(7) DLI#7 - Promotion of agri-food entrepreneurship for youth and women	2 500 000
(8) DLI#8 - Increase of R&D activities for new technologies and innovations along with development of an operational evaluation system for NARS institutes and extension services	5 900 000
(9) DLI#9 - Establishment and operationalization of the value chain promotional bodies for select commodities	1 800 000
(10) DLI#10 - Improvement of quality information system (agricultural statistics and market research services incl. foreign markets)	1 400 000
<b>TOTAL AMOUNT</b>	<b>31 950 000</b>

*Achievement of DLI/DLRs*

The formula to calculate the achievement of DLIs/DLRs is set out in Annex A to Schedule 2.



*Financing of taxes*

To adopt a harmonized policy on taxes to the Bank, IFAD financing will be used to finance taxes in line with Borrower's regulation.

**ANNEX A TO SCHEDULE 2 – Disbursement-Linked Indicators, Disbursement-Linked Results**

D L I	DLR	DLR value in SDR (IFAD)	Disbursement rules (IFAD)	Unit of measu re	Scal able ?	Target <sup>1</sup> (not cumulative)					Total target (cumulative )
						Year 1	Year 2	Year 3	Year 4	Year 5	
<b>DLI1. Development, roll-out and adoption of GAP standards in fruits and vegetables production</b>											
	1.1 GAP standards and protocols for fruits and vegetables developed and approved by MoA	318 000	63,600 for each 3 new protocols	Number of protocols	Yes	6	9				15
	<i>Disbursement (SDR)</i>					127 200	190 800	-	-	-	318 000
	1.2 Farmers and certification staff trained in GAP certification	637 000	63,700 for every new 200,000 farmers trained (in total 318,500) and 63,700 for every new 300 staff trained (in total 318,500)	Number of farmers/staff	Yes	Farmers: 100,000 Staff: 500	Farmers: 200,000 Staff: 500	Farmers: 300,000 Staff: 500	Farmers: 400,000		Farmer trained = 1,000,000 / Staff trained = 1,500
	<i>Disbursement (SDR)</i>					63 700	191 100	254 800	127 400	-	637 000
	1.3 Area under fruits and vegetables with GAP certification	2 545 000	127,250 for each additional 15,000 Ha	Ha	Yes			75 000	75 000	150 000	300 000
	<i>Disbursement (SDR)</i>					-	-	636 250	636 250	1 272 500	2 545 000
<b>DLI total allocation (in SDR)</b>		<b>3 500 000</b>				<b>190 900</b>	<b>381 900</b>	<b>891 050</b>	<b>763 650</b>	<b>1 272 500</b>	<b>3 500 000</b>
<b>DLI2. Development and adoption of high-yielding rice varieties</b>											

<sup>1</sup> DLRs which are time-bound, i.e., are required to be performed by the time set out in the matrix, are indicated with \*. Any other DLRs with no \* are not time-bound and may be achieved by the Closing Date.

	2.1 Stress-tolerant and nutrient-dense rice varieties generated	1 785 000	357,000 for each new variety	Number of varieties	Yes		1	1	1	2	5
	<i>Disbursement (SDR)</i>					-	357 000	357 000	357 000	714 000	1 785 000
	2.2 Network established and operational for seed multiplication and marketing	575 000	115,000 for additional 10t Breeder Seeds (BS), 800t Foundation Seeds (FS), 1,000t Certified Seeds (CS)	Number of tons of seeds	Yes		BS-10t /FS-800t /CS-1,000t	BS-10t /FS-800t /CS-1,000t	BS-15t /FS-1,200t /CS-1,500t	BS-15t /FS-1,200t /CS-1,500t	BS-50t /FS-4,000t /CS-5,000t
	<i>Disbursement (SDR)</i>					-	115 000	115 000	115 000	230 000	575 000
	2.3 New area under high-yielding rice varieties	890 000	178,000 IFAD for each additional 40,000 Ha	Ha	Yes	40 000	40 000	40 000	40 000	40 000	200 000
	<i>Disbursement (SDR)</i>					178 000	178 000	178 000	178 000	178 000	890 000
<b>DLI total allocation (in SDR)</b>		<b>3 250 000</b>				<b>178 000</b>	<b>650 000</b>	<b>650 000</b>	<b>650 000</b>	<b>1 122 000</b>	<b>3 250 000</b>
<b>DLI3. Crop diversification towards non-rice cereals, pulses, oilseeds and horticulture crops</b>											
	3.1 Stress-tolerant and nutrient-dense varieties developed and on-farm trial for non-rice crops conducted	1 155 000	77,000 IFAD for each new variety	Number of varieties	Yes		3	4	4	4	15
	<i>Disbursement (SDR)</i>					-	231 000	308 000	308 000	308 000	1 155 000
	3.2 Seed/saplings/propagative material multiplication and marketing network (including private sector participation) established and operational	577 500	115,500 for additional 10t BS, 800t FS, 1,000t CS	Number of tons of seeds	Yes		BS-10t /FS-800t /CS-1,000t	BS-10t /FS-800t /CS-1,000t	BS-15t /FS-1,200t /CS-1,500t	BS-15t /FS-1,200t /CS-1,500t	BS-50t /FS-4,000t /CS-5,000t
	<i>Disbursement (SDR)</i>					-	115 500	115 500	115 500	231 000	577 500

	3.3 New area under non-rice cereal, pulses, oil crops, fruits, and vegetables	2 117 500	423,500 for each additional 40,000 Ha	Ha	Yes	20 000	30 000	40 000	50 000	60 000	200 000
	<i>Disbursement (SDR )</i>					-	423 500	423 500	423 500	847 000	2 117 500
<b>DLI total allocation (in SDR )</b>		<b>3 850 000</b>				-	<b>770 000</b>	<b>847 000</b>	<b>847 000</b>	<b>1 386 000</b>	<b>3 850 000</b>
<b>DLI4. Adoption of efficient irrigation technologies by farmers</b>											
	4.1 Policy/Regulatory framework & strategic plan developed	258 000	258,000 for Yes	Yes/No	No	Yes					Yes
	<i>Disbursement (SDR )</i>					258 000	-	-	-	-	258 000
	4.2 New area under efficient irrigation technologies	3 292 000	658,400 for each additional 20,000 Ha	Hectare (Ha)	Yes			20 000	30 000	50 000	100 000
	<i>Disbursement (SDR )</i>					-	-	658 400	658 400	1 975 200	3 292 000
<b>DLI total allocation (in SDR )</b>		<b>3 550 000</b>				<b>258 000</b>	-	<b>658 400</b>	<b>658 400</b>	<b>1 975 200</b>	<b>3 550 000</b>
<b>DLI5. Expansion of digital agricultural service provision through KSC</b>											
	5.1 Policy/Regulatory framework developed	319 000	319,000 for Yes	Yes/No	No	Yes					Yes
	<i>Disbursement (SDR )</i>					319 000	-	-	-	-	319 000
	5.2 Digital extension services delivered and e-voucher pilot for new input subsidy mechanism implemented	958 000	1) Upazilas covered by digital extension = 63,800 for every new 100 upazilas; same payment for the remaining 95 Upazilas from 401 to 495 2) Upazilas where e-subsidy pilot conducted = 127,800 for every 3 new Upazilas	Number of upazilas	Yes	Digital extension: 10 / e-subsidy:0	Digital extension: 50 / e-subsidy:0	Digital extension: 200 / e-subsidy:7	Digital extension: 235 / e-subsidy:8		Digital extension: 495 / e-subsidy:15
	<i>Disbursement (SDR )</i>					-	-	383 200	574 800	-	958 000

	5.3 Farmers receiving services (extension support, input subsidy support, and credit support) through KSC	2 873 000	287,300 for every new 500,000 farmers	Number of farmers	Yes		500 000	1 000 000	1 500 000	2 000 000	5 000 000
	<i>Disbursement (SDR )</i>					-	287 300	574 600	861 900	1 149 200	2 873 000
<b>DLI total allocation (in SDR )</b>		<b>4 150 000</b>				<b>319 000</b>	<b>287 300</b>	<b>957 800</b>	<b>1 436 700</b>	<b>1 149 200</b>	<b>4 150 000</b>
<b>DLI6. Promotion of the accreditation of seed certification and food safety testing processes</b>											
	6.1 Laboratories established (including refurbished/updated) with adequate HR and equipment	1 474 000	294,800 for every 2 labs established	Number of labs	Yes		2	3	5		10
	<i>Disbursement (SDR )</i>					-	294 800	294 800	884 400	-	1 474 000
	6.2 Accredited testing processes for agricultural commodities in testing labs	576 000	57,600 for every 2 new processes accredited	Number of processes	Yes			4	6	10	20
	<i>Disbursement (SDR )</i>					-	-	115 200	172 800	288 000	576 000
<b>DLI total allocation (in SDR )</b>		<b>2 050 000</b>				-	<b>294 800</b>	<b>410 000</b>	<b>1 057 200</b>	<b>288 000</b>	<b>2 050 000</b>
<b>DLI7. Promotion of agri-food entrepreneurship for youth and women</b>											
	7.1 Partnerships with businesses for OTJ training and PARTNER award mechanism established	577 000	57,700 for every 3 new MoUs	Number of MoUs	Yes		10	10	10		30
	<i>Disbursement (SDR )</i>					-	173 100	173 100	230 800	-	577 000

	7.2 Youth and women entrepreneurs trained (including OTJ training) in commercial agriculture, agribusinesses, new agricultural innovations, and agricultural services	1 923 000	192,300 for every new 2,000	Number of youth and women	Yes		3 000	5 000	6 000	6 000	20 000
	<i>Disbursement (SDR )</i>					-	192 300	576 900	576 900	576 900	1 923 000
	<b>DLI total allocation (in SDR )</b>	<b>2 500 000</b>				-	<b>365 400</b>	<b>750 000</b>	<b>807 700</b>	<b>576 900</b>	<b>2 500 000</b>
<b>DLI8. Increase of R&amp;D activities for new technologies and innovations along with development of an operational evaluation system for NARS institutes and extension services</b>											
	8.1 Increase in R&D budget for NARS institutes	2 950 000	590,000 for achieving following levels of R&D budget: Target 1: 110 percent of baseline budget; Target 2: 121 percent of baseline budget; Target 3: 133 percent of baseline budget; Target 4: 146 percent of baseline budget; Target 5: 161 percent of baseline budget	Percentage	Yes	110	121	133	146	161	161
	<i>Disbursement (SDR )</i>					590 000	590 000	590 000	590 000	590 000	2 950 000
	8.2 MoUs/agreements on research collaboration with research labs and on scaling up NARS's research outcomes with MoA agencies and the private sector	2 950 000	590,000 for every 5 new MoUs/agreements	Number of MoUs/agreements	Yes		5	5	5	10	25
	<i>Disbursement (SDR )</i>					-	590 000	590 000	590 000	1 180 000	2 950 000
	<b>DLI total allocation (in SDR )</b>	<b>5 900 000</b>				<b>590 000</b>	<b>1 180 000</b>	<b>1 180 000</b>	<b>1 180 000</b>	<b>1 770 000</b>	<b>5 900 000</b>

<b>DLI 9. Establishment and operationalization of VC promotional bodies for select commodities</b>											
	9.1 Policy and regulatory framework developed and adopted by MoA	322 000	322,000 for Yes	Yes/No	No	Yes					Yes
	<i>Disbursement (SDR )</i>					322 000	-	-	-	-	322 000
	9.2 VC-specific promotional bodies for at least five commodities established and operational	1 478 000	295,600 for every new body	Number of bodies	Yes			2	3		5
	<i>Disbursement (SDR )</i>					-	-	591 200	886 800	-	1 478 000
<b>DLI total allocation (in SDR )</b>		<b>1 800 000</b>				<b>322 000</b>	<b>-</b>	<b>591 200</b>	<b>886 800</b>	<b>-</b>	<b>1 800 000</b>
<b>DLI10. Improvement of quality information system (agricultural statistics and market research services incl. foreign markets)</b>											
	10.1 Upazilas with staff equipped in high-quality data collection capacity	792 000	158,400 for every 100 new Upazilas; same payment for the remaining 95 Upazilas from 401 to 495	Number of upazilas	Yes		100	200	195		495
	<i>Disbursement (SDR )</i>					-	158 400	316 800	316 800	-	792 000
	10.2* Biannual Agricultural Policy Notes (including market forecasts) prepared and published	608 000	152,000 for every Yes (=publish 2 bi-annual notes in a given year)	Yes/No	No	No	Yes	Yes	Yes	Yes	Yes
	<i>Disbursement (SDR )</i>					-	152 000	152 000	152 000	152 000	608 000
<b>DLI total allocation (in SDR )</b>		<b>1 400 000</b>				<b>-</b>	<b>310 400</b>	<b>468 800</b>	<b>468 800</b>	<b>152 000</b>	<b>1 400 000</b>
		<b>31 950 000</b>				<b>1 857 900</b>	<b>4 239 800</b>	<b>7 404 250</b>	<b>8 756 250</b>	<b>9 691 800</b>	<b>31 950 000</b>

### Schedule 3

#### *Special Covenants*

In accordance with Section 12.01(a)(xxiii) of the General Conditions, the Fund may suspend, in whole or in part, the right of the Borrower to request withdrawals from the Loan Account if the Borrower has defaulted in the performance of any covenant set forth below, and the Fund has determined that such default has had, or is likely to have, a material adverse effect on the Programme:

1. The Program expenditure financed by IDA, IFAD, and GoB will be channelled through Treasury Single Account using iBAS for initial recording of expenditure. iBAS++ will be used to prepare the Annual Program Financial Statements.
2. To facilitate the implementation of each of the Programme Implementing Entity's respective part of the Programme, the Borrower shall make part of the proceeds of the Financing available to each Programme Implementing Entity under a subsidiary agreement between the Borrower and each Programme Implementing Entity, under the terms and conditions set out in the IDA Agreement.
3. *Planning, Monitoring and Evaluation.* The Borrower shall ensure that (i) a Planning, Monitoring and Evaluation (PM&E) system shall be established within twelve (12) months from the date of entry into force of this Agreement.
4. *Gender and youth.* The Borrower shall ensure that the concerns of women and youth are given due consideration in implementing the Programme and that the quotas for women and youth participation established in the Programme Operations Manual are met.
5. *Ethnic Sects and Communities Concerns.* The Borrower shall ensure that the concerns of Ethnic Sects and Communities (ESC) are given due consideration in implementing the Programme and, to this end, shall ensure that:
  - (a) the Programme is carried out in accordance with the applicable provisions of the relevant ESC national legislation;
  - (b) ESC are adequately and fairly represented in all local planning for Programme activities;
  - (c) ESC rights are duly respected;
  - (d) ESC, participate in policy dialogue and local governance;
  - (e) The terms of Declarations, Covenants and/or Conventions ratified by the Borrower on the subject are respected;
  - (f) The Programme will not involve encroachment on traditional territories used or occupied by indigenous communities.

6. *Environmental, Social and Climate Safeguards.* The Borrower shall ensure that the Programme will be implemented in compliance with the safeguards provisions specified in the IDA Agreement and shall ensure that: (a) all Programme activities are implemented in strict conformity with the Borrower's relevant laws/regulations (b) all Programme activities give special consideration to the participation and practices of ESC population in compliance with IFAD Policy, (c) Free Prior Informed Consent is obtained from all persons whose access to land and resources may be affected or hindered by Programme activities.

In the event of unforeseen land acquisition or involuntary resettlement under the Programme, the Borrower shall immediately inform IDA and the Fund and prepare the necessary planning documents, to be disclosed on IFAD website and at local level; (d) women and men shall be paid equal remuneration for work of equal value under the Programme; (e) recourse to child labour is not made under the Programme; (f) fair



treatment, non-discrimination, and equal opportunity of Programme workers (g) the measures included in the Gender Action Plan prepared for the Programme are undertaken, and the resources needed for their implementation are made available, in a timely manner; (h) all necessary and appropriate measures to implement the Gender Action Plan to ensure that women can participate and benefit equitably under the Programme are duly taken; and (i) easily accessible and responsive Programme-level grievance redress mechanism is established and operates effectively.

7. *Fraud and Corruption.* The Borrower shall ensure that the Programme is carried out in accordance with the provisions of the "World Bank's Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing", dated February 1, 2012, and revised on July 10, 2015. For the purposes of this Agreement, a finding of corruption pursuant to the provisions of the "World Bank's Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing" shall be deemed a finding of corruption under the "IFAD Policy on Preventing Fraud and Corruption in its activities and operations" as may be amended from time to time.

8. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower and the Programme Parties shall ensure that the Programme is carried out in accordance with the provisions of the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time.

## Logical framework

Results Hierarchy	Indicators			
	Name	Baseline	Mid-Term	End Target
Outreach	<b>1 Persons receiving services promoted or supported by the project</b>			
	Males - Males			3 000 000
	Females - Females			2 000 000
	Total number of persons receiving services - Number of people			5 000 000
	<b>1.b Estimated corresponding total number of households members</b>			
	Household members - Number of people			5 000 000
	<b>1.a Corresponding number of households reached</b>			
Households - Households (disaggregated by gender of head)			1 111 111	
<b>Project Goal</b>				
<b>Development Objective</b> To promote diversification food safety entrepreneurship and resilience in the agrifood value chains of Bangladesh.	<b>1.2.2 Households reporting adoption of new/improved inputs technologies or practices</b>			
	Total number of household members - Number of people			4 500 000
	Households - Percentage (%)			
	Households - Number			1 000 000
Outcome Result Area 1: Sustainable and Nutritious Food Production	<b>1.2.2 Households reporting adoption of new/improved inputs technologies or practices</b>			
	Total number of household members - Number of people			4 500 000
	Households - Households			1 000 000
	<b>Increased area of crops promoted by the project</b>			
	Non-rice pulses oilseeds and horticulture crops - Area (ha)			200 000
	High-yielding rice varieties - Area (ha)			200 000
	<b>Increased area under fruits and vegetables with GAP certification</b>			
Area - Area (ha)			300 000	
Output Introduction of modern farming technologies and improved crop varieties	<b>1.1.3 Rural producers accessing production inputs and/or technological packages</b>			
	Total rural producers - (Number of people disaggregated by gender and age)			
	<b>1.1.4 Persons trained in production practices and/or technologies</b>			
	Total number of persons trained by the project - Number of people			1 000 000
	<b>1.1.2 Farmland under water-related infrastructure constructed/rehabilitated</b>			
	Hectares of land - Area (ha)			100 000
	<b>Stress-tolerant and nutrient dense varieties developed</b>			
Non-rice crops - Number			15	
Rice - Number			5	
Outcome	<b>2.2.1 Persons with new jobs/employment opportunities</b>			
	Males - Males			4 800

Result Area 2: Increasing Entrepreneurship and Access to Services along the value-chains	Females - Females			7 200
	Young - Young people			
	Total number of persons with new jobs/employment opportunities - Number of people			12 000
	<b>1.2.5 Households reporting using rural financial services</b>			
	Total number of household members - Number of people			450 000
	Households - Percentage (%)			
Households - Households			100 000	
<b>Output</b>	<b>2.1.2 Persons trained in income-generating activities or business management</b>			
Increased access to services	Males - Males			8 000
	Females - Females			12 000
	Young - Young people			
	Persons trained in IGAs or BM (total) - Number of people			20 000
	<b>1.1.6 Financial service providers supported in delivering outreach strategies financial products and services to rural areas</b>			
	Service providers - Service Providers			35
<b>Outcome</b>	<b>SF.2.1 Households satisfied with project-supported services</b>			
Result Area 3: Modernizing Institutions and Policies for Agriculture Transformation	Household members - Number of people			
	Households (%) - Percentage (%)			80
	<b>Increase in R&amp;D budget for NARS Institutes</b>			
	Budget Increase - Percentage (%)			61
	<b>MoUs and agreements on research collaboration with international research labs and the private sector</b>			
	Number of MOUs - Number			30
<b>Output</b>	<b>2.1.3 Rural producers' organizations supported</b>			
Coordination and Policy Support	Total size of POs - Organizations			
	Rural POs supported - Organizations			500
	Total number of members (disaggregated by gender and age)			
	<b>Policy 1 Policy-relevant knowledge products completed</b>			
	Number - Knowledge Products			20
	<b>Policy 2 Functioning multi-stakeholder platforms supported</b>			
Number - Platforms			5	

## Integrated programme risk matrix

Country Context	Substantial	Moderate
Political Commitment	Substantial	Moderate
<b>Risk:</b> <p>The country will have its national election held on January 2024 and this might impact the project start up due to the changes made in civil administration and interim government arrangements three months prior to the elections.</p>	Substantial	Moderate
<b>Mitigations:</b> <p>1. Continuous monitoring and implementation support by the ICO and the World Bank on project performance monitoring and reporting.  2. The project DPP is expected to be approved by April 2023 which will minimise the risk of a delayed start up significantly.  3. Even if there is a change in government, the institutional policies and development plans is likely to remain unchanged (National Agricultural Policy, 8th Five Year Plan etc.) which will support a smooth project execution.</p>		
Governance	High	Substantial
<b>Risk:</b> <p>Government processes such as the preparation of the DPP, recruitment of key staff are cumbersome and can delay project start-up and implementation.</p>	High	Substantial
<b>Mitigations:</b> <p>(i) The ICO and the World Bank teams support the project and implementing agencies with the preparation of the relevant supporting documents for the government's internal processes, including DPP preparation (FAO TA)  (ii) IFAD supports counterpart in its dialogue with the Ministry of Finance and planning commission, with regard to the DPP preparation.</p>		
Macroeconomic	Substantial	Moderate
<b>Risk:</b> <p>Real GDP growth is expected to slow to 6.1 percent in FY23 as import suppression measures disrupt economic activity. Higher inflation will dampen private consumption growth, following substantial energy price increases. Export growth is expected to slow, as economic conditions in key export markets deteriorate, while rolling blackouts, gas rationing, and rising input costs weigh on manufacturers. A gradual reduction in poverty is expected, declining from 10.4 percent in FY22 to 10.0 percent in FY23. Over the medium term, the balance of payments is projected to return to surplus as import growth moderates. Bangladesh's economy performed well during the COVID-19 pandemic compared to peer countries. Relatively low debt-to GDP provided a fiscal buffer, and a stimulus program protected manufacturing capacity. A robust recovery continued in FY22 as movement restrictions were lifted. Rising commodity prices and a surge in imports in the second half of FY22 resulted in a substantial Balance of Payments (BoP) deficit and accelerating inflation. A series of policy measures to suppress imports and preserve foreign exchange reserves is expected to dampen growth, including electricity cuts and reduced business hours. Addressing longstanding structural challenges would help sustain GDP growth over the medium term, including increasing domestic revenues, modernizing the tariff regime, resolving financial sector vulnerabilities, and improving the business climate.</p>	Substantial	Moderate

<b>Mitigations:</b>  (i) The programme will significantly focus on strengthening institutional policies and all the DLIs have specific policy level targets to be achieved. (ii) Despite soaring inflation, the government has prioritized agriculture sector to the highest level and ensured uninterrupted supply of inputs. The project will further support this.		
Fragility and Security	Moderate	Low
<b>Risk:</b>  Bangladesh is not in the list of the World bank fragile countries but there is subject to natural hazards which is elaborated in the sections below. In terms of security situation is also stable and no threat is envisaged.	Moderate	Low
<b>Mitigations:</b>  Regular monitoring and supervision by the IFAD and WB country offices in Bangladesh		
Sector Strategies and Policies	Moderate	Moderate
Policy alignment	Low	Low
<b>Risk:</b>  This risk is low considering Bangladesh has finalized its 8th five year plan in December 2020 that outlines the broad development objectives of the country including transformation of the agriculture sector.	Low	Low
<b>Mitigations:</b>  (i) The project is actually supporting the National Agriculture Policy - Plan of Action (NAP-POA) and every DLI has actions to support new policy formulation (ii) IFAD has an active participation in the donor coordination group on agriculture that is chaired by the secretary of agriculture and FAO country rep. (iii) Consistent follow-up with the ministry, implementing agencies and PIUs assuring that the priorities of the implementing agencies and the donor agencies (IFAD, World Bank) remain aligned		
Policy Development and Implementation	Substantial	Moderate
<b>Risk:</b>  1. Some policies are outdated especially the ones governing the agricultural sector and food sector	Substantial	Moderate
<b>Mitigations:</b>  (i) The ICO and World Bank actively participates in the working group to help ministry of agriculture update their policies and sector transformation plan. (ii) IFAD actively contributes to knowledge generation and policy advocacy through UNCT and donor coordination mechanisms. (iii) Each DLI includes Policy development activities and milestone to be achieved		
Environment and Climate Context	High	Substantial
Project vulnerability to environmental conditions	High	Substantial

<b>Risk:</b> Bangladesh as a whole is highly prone to natural hazards including cyclones, storm surges, floods, landslides, earthquakes, tsunamis, sea-level rise and increasing saltwater intrusion. Therefore the inherent risk for vulnerability to environmental conditions is high.	High	Substantial
<b>Mitigations:</b> (i) Detailed mitigation measures are included in the CI's safeguard documents.		
Project vulnerability to climate change impacts	Substantial	Moderate
<b>Risk:</b> Key climate change impacts for the project are linked to sea level rise contributing to increasing floods and increasing intrusion of saline seawater in addition to flash flood, riverine floods, cyclone, tidal surge, drought etc. All climate-induced phenomena could have significant effects on agriculture, with increasing salinity and mean temperatures having generally negative effects.	Substantial	Moderate
<b>Mitigations:</b> (i) Detailed mitigation measures are included in the CI's safeguard documents		
Project Scope	Substantial	Moderate
Project Relevance	Moderate	Low
<b>Risk:</b> Lack of alignment with national and IFAD priorities might deviate the project objectives and results from the core PDO.	Moderate	Low
<b>Mitigations:</b> 1. The project is to provide support on NAP-POA implementation 2. The 3 RA and 10 DLIs are fully aligned to the national priorities and also with IFAD's latest COSOP.		
Technical Soundness	Substantial	Moderate
<b>Risk:</b> The lending instrument, PforR, is new to the client ministry and it will require significant technical assistance to the ministry to make them familiar with the implementation of a PforR operations. There is also risk of DLI specific targets not being achieved, resulting into not delivering the project's development objectives..	Substantial	Moderate
<b>Mitigations:</b> The project is designed to implement key elements of the GoB's strategy for agriculture development in Bangladesh. Thus, the design is not only comprehensive and supports the country's agricultural production system and its value chains, but it also fits country's diversified and challenging context. Going forward, technical capacity needs assessment will be conducted, and relevant risk mitigation measures will be incorporated into the Program design and implementation.  The WB and IFAD Country Office will closely support and guide the project to remain on track and achieve its objectives.		
Institutional Capacity for Implementation and Sustainability	Moderate	Low
Implementation Arrangements	Moderate	Low

<b>Risk:</b> Coordination through various institutions under the MoA and weak capacity to implement the respective activities and achieve intended results.	Substantial	Moderate
<b>Mitigations:</b> This will be addressed through a PCU with strong leadership. A detailed institutional capacity assessment was undertaken during design to identify capacity building needs for both the ministry and the implementing line agencies. Mitigation measures to the risk associated with institutional and implementation arrangements will be proposed to enhance sustainability of the Program results.		
<b>Risk:</b> The pari-passu arrangement between financing institutes might result into complexity in terms of flow of funds and implementation of activities.	Moderate	Low
<b>Mitigations:</b> The IFAD financing is blended with the world bank financing across all the DLIs, meaning that there will be no specific activities financed by individual financiers and the flow of funds will be uniform. The same arrangements have been applied in the ongoing NATP-2 project and this has proven to be fully functioning.		
<b>Risk:</b> The selection of the IVA and the timing of the recruitment methodology/ process to validate that the targets are met , represent a high risks for project implementation.	Moderate	Low
<b>Mitigations:</b> IVA recruitment process as described in PAD		
Monitoring and Evaluation Arrangements	Moderate	Low
<b>Risk:</b> Precedence in Bangladesh for projects with multiple implementing agencies to work in silos. Consequently, PIUs might have different interpretations of indicators. There is also the risk of not having an M&E framework established that would aggregate data from all implementing entities at the PIU level. Failure to disaggregate data on youth and gender may also not give the correct picture of the project reaching its intended target groups.	Moderate	Low
<b>Mitigations:</b> (i) The IFAD finances SACP project has already developed an M&E system which is being replicated throughout the MOA projects, which provides consistency in data collection and reporting (ii) The Independent Verification Agency (IVA) will verify the project's reports on results and provide a detailed report which will be further validated jointly by IFAD and WB (iii) An M&E specialist from IFAD participates in the project supervision missions to support the PIU M&E unit on data generation and reporting.		
Project Financial Management	Substantial	Substantial
Project Organization and Staffing	High	Substantial

<p><b>Risk:</b></p> <p>The Program will be implemented by government agencies and semi-autonomous bodies of Ministry of Agriculture; DAE, DAM, BARI, BIRRI, BARC, BADC, and BMDA and is reliant on the use of country systems. The MoA and some of the IAs have prior experience of implementing projects with World Bank and IFAD investment project financing (IPF) but none of them have experience in implementation of projects under PforR.</p> <p>Risk of inefficient and ineffective financial management arrangement due to the absence of experienced and qualified procurement and FM staff to meet the needs the program is recognised</p>	High	Substantial
<p><b>Mitigations:</b></p> <p>(i) Certify training on FM and procurement for staff in all levels.  (ii) Prepare an updated FM operation manual and risk management manual.  (ii) Mobilize additional financial management support through individual consultants of Project Coordination unit to enhance the capacity for smooth running of the financial management system for the Program.</p>		
Project Budgeting	High	Substantial
<p><b>Risk:</b></p> <p>The Program budget will be reflected in the Government's budget. The Detailed Project Pro forma of PARTNER in under preparation by the Government. Unique code for the PARTNER will be used by all implementing entities. The inclusion of all Program activities undertaken by DAE, BMDA, BADC, BIRRI, BADC, BARI in the unique program code will enable effective monitoring of utilization of Program budget by each Program Implementing Agency. The following risks however are acknowledged:  -Risk of inefficient allocation of budget due to lack of timely budget allocation to implementing agencies and inadequate coordination between budgeting processes and procurement planning.  -Risk of delayed implementation of Program due to inefficient budget execution and duplicative institutional reporting arrangements</p>	High	Substantial
<p><b>Mitigations:</b></p> <p>(i) Institute arrangements in implementing agencies to ensure coordination between budget and procurement planning.  (ii) Mainstream IBAS for recording and reporting Program expenditure for all implementing agencies.  (iii) Ensure on-lending/granting arrangement with the off treasury PIUs (BIRRI, BARI, BADC, BARC)</p>		
Project Funds Flow/Disbursement Arrangements	Substantial	Substantial



<p><b>Risk:</b></p> <p>The government maintains a TSA with the Bangladesh Bank for all central government. Technical information on each DLI with time-wise activities and verification protocol of results will be used to prepare funds allocation against each results area. Fund flow outlined in the Treasury Rules and Supplementary Rules will apply. As the program funds will use the Treasury Model, Funds will be channelled through the Government system of budgetary allocations to the Consolidated Fund and expenditure processed through the existing treasury system of the Government.</p> <p>Budget releases take place no less than two months into a financial year. Budget releases are based on an Annual Operational Plan (AOP) approved by the respective ministries. Generally, funds are released at 4 equal instalments based on the development part of AOP. After releasing funds from the Treasury Single Account to PIUs, the financial delegation as per the financial rules of GoB and the respective PIUs will be followed for the expenses incurred in the PIUs. Each PIU will submit payment requests to the Chief Accounts and Finance Officer of the MOA for processing payments through iBAS++ from the Treasury Single Account directly to the vendors for goods and services for the Program implementation.</p> <p>The activities of the program will not be free from seasonal impacts therefore equal instalments of fund releases may cause difficulty in managing expenses during peak season for works.</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>(i) The Finance Unit of implementing agencies and the CAFO of Ministry of Agriculture will consider implementing subordinate office/organizational unit dimensions of BACS under the Program. (2) Deepening the organizational segment from the MOA to the responsible implementing agencies (DAE, BMDA, BRR, BARI, BADC, BARC and DAM) will enhance managerial accountability of funds allocated to deliver on the specific allocation at the lowest organizational unit level to minimize the risk of delay in distribution of Program funds to the frontline units responsible for the DLIs.</p>		
Project Internal Controls	Substantial	Substantial
<p><b>Risk:</b></p> <p>Internal controls such as segregation of duties, authorization, supervision, budget controls are in place. The iBAS++ has the following in-built segregation of duties controls through its workflow. For all transactions, there are different levels of review and approval: entry, review, approval, activation (for reference data) with permission controlled through roles which are configured as privileges by a super user.</p> <p>The PAO will be responsible for observance and compliance of all relevant financial rules and regulations of the Program through the Program Director as the DDO. To maintain proper control, the PAO will receive regular Program Budget Execution Reports.</p> <p>The capacity of the internal audit function for the Program can be further enhanced. Internal audit units are not effective currently, internal audit activities consist primarily of exposed reviews focused on financial compliance. There is an on-going reform under the Bank finance PforR operation, Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS) to strengthen and transform traditional internal audit function to risk based internal audit.</p>	Substantial	Substantial

<p><b>Mitigations:</b></p> <p>(i) All PIUs, self-accounting entities will prepare and implement an internal audit modernization plan under the Program including by strengthening audit committees to enhance effectiveness of internal audit and institute risk-based internal audit.</p> <p>(ii) The proposed program will contribute towards enhancing the internal audit capacity of the PIUs. Some areas of focus for technical assistance include: (1) PFM training for internal auditors to broaden their knowledge for effective audit; (2) further training and pilot audits on focused areas such as IT audits based on the internal audit manual; (3) professionalization of the internal auditors by offering internationally recognized professional certification courses; and (4) introducing audit management software.</p>		
Project Accounting and Financial Reporting	High	Substantial
<p><b>Risk:</b></p> <p>The iBAS++, together with the BACS, will be used to prepare the Annual Program Financial Statements. Program expenditure financed by IDA, IFAD and GoB will be channeled through TSA using iBAS for initial recording of expenditure under the unique program code with separate organizational code for each of the agency. There will also be fund code for each source of financing. In addition, as a part of corporate reporting requirement, self-accounting entities will include the Program expenditure of their respective part in the annual financial statement of entity financial statement.</p> <p>The Cash Basis accounting is used in the public sector. There are no initiatives yet to align the cash basis with the IPSAS cash standard to further improve reporting and ensure uniformity with international standards and best practices. As per the Government Financial Regulations (GFR) the spending authority maintains a separate set of financial records mostly on manual bases while IBAS is maintained only at the level of the Accounts Offices.</p> <p>Risk of delays in Preparation of Financial Statement is recognised. Inefficient reconciliation processes between spending units and CAFO of MOA</p>	High	Substantial
<p><b>Mitigations:</b></p> <p>(i) iBAS++ will ensure timely preparation of Financial Statement for the Program. (ii) It was also agreed with the line ministry that the reconciliation process would be on a fast track to consolidate the FS within 3 months from the end of each FY. (iii) In Addition, there will be monthly reconciliation between PIU and CAFO within seven working days of the following Month. (iv) To facilitate the reconciliation, each PIU will assign a dedicated person to aide day to day accounting and financial reporting.</p>		
Project External Audit	Substantial	Substantial

<p><b>Risk:</b></p> <p>The PARTNER program audit will be carried out by the Comptroller and Auditor General (C&amp;AG) constitutionally appointed by the President. Of the ten directorates, Foreign Aided Project Audit Directorate (FAPAD) has been mandated to carry out the audit of all donors funded development projects and programs including those having both foreign aid as well as GOB funding together. Moreover, RPA through GOB arrangements, where initially expenditure is made from government treasury against GOB budget provision and then actual expenditure is reimbursed by DPs in government treasury, are also audited by FAPAD because of involvement of both DP's and GOB funding. Currently, OC&amp;AG is undergoing reform, whereby it is moving to an entity audit model by combining revenue and development expenditure in a single financial statement and will be audited by a single audit directorate. Program expenditure will be made using treasury system. A separate set of financial statement will be prepared based on iBAS for the program which will include all the economic codes to be agreed for the program. The independent auditor will pay special attention to the risks of material misstatement of the financial statements due to fraud.</p> <p>There are long pending audit observations from the external audit carried out by the Foreign Aided Project Audit Directorate (FAPAD) for the development projects. Audit observations resolution takes a long time, particularly, on the development projects in all PIUs. In the result-based program approach, the resolution may take even longer because of lack of ownership in fulfilling the requirements to resolve audit issues</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>(i) Submission of Program External Audit Report by March 31 each year. Necessary capacity building support will be obtained from the government to meet the deadline. Also, the new organization reform at C&amp;AG office will make the respective directorate more focused on the program audits and therefore the delivery seems to be more efficient.</p> <p>(2) Strengthen the audit committee and establish processes and mechanisms for completing annual audit, including procurement audit and resolving audit observations. Constitution of Audit Observation Resolution Committee at the Ministry to meet twice annually with the aim to take appropriate action in resolving (Serious Financial Irregularity) SFI of the program annually.</p>		
Project Procurement	Substantial	Moderate
Legal and Regulatory Framework	Substantial	Moderate

<p><b>Risk:</b></p> <p>Public procurement is regulated by the Public Procurement Act 2006 with supplemental Public Procurement Rules 2008, e-GP Guideline and Delegation of Financial Power (DOFP). The PPA 2006 has been amended several times, by the Public Procurement (1st and 2nd Amendment) Act 2009, the Public Procurement (Amendment) Act 2010 and the Public Procurement (Amendment) Act 2016.</p> <p>Overall Strengths:</p> <ul style="list-style-type: none"> <li>• Existence of a single legal framework (PPA 2006/PPR 2008) that governs the entire public procurement system across the country.</li> <li>• Existence of a well-functioning nodal procurement policy unit, Central Procurement Technical Unit (CPTU).</li> <li>• CPTU has a widely used website and updated regularly.</li> <li>• A widely used Electronic Government Procurement (e-GP) System managed by CPTU. 62% procurements of the country by value were processed through e-GP in FY19.</li> <li>• e-GP system is self-sustainable (earns revenue).</li> <li>• Existence of comprehensive e-GP Guidelines.</li> <li>• Freely accessible standard tender documents for Goods, Works and Services.</li> <li>• Mandatory provision to pre-disclose eligibility and qualification criteria during procurement process.</li> <li>• Existence of a comprehensive capacity development program.</li> <li>• Existence of well-defined procurement methods.</li> <li>• Open Tendering Method (OTM) is the preferred method and alternative methods need justification. 80% of goods and works contracts were processed through OTM in FY19.</li> <li>• Conflict of interest and impartiality certificate requirements by the Tender Evaluation Committee (TEC) members during tender evaluation.</li> <li>• Presence of a functional complaint redress system with an appeal mechanism.</li> <li>• Existence of separate Public Private Partnership (PPP) Act and Guidelines.</li> </ul> <p>Overall Weaknesses:</p> <ul style="list-style-type: none"> <li>• Use of price cap in national Open Tendering Method (OTM) for works (rejecting bids more than 10% below or above the estimated cost), in lieu of the intended objective of improved quality and timely completion of works, resulted in market distortion. For example, (i) the average number of participants per procurement package decreasing from 4.2 to 2; (ii) single tenders in OTM packages increasing from 20% to 50% and (iii) large bidders monopolizing the procurement market and small bidders getting marginalized.</li> <li>• The Limited Tendering Method (LTM) for national works procurement, targeted to encourage small and new bidders with provisions such as price cap, lottery to determine the winner in the case of tied bids and not requiring any past experience, is not consistent with international good procurement practices, and resulted in failed constructions, delays and cost-overruns. Bidders' interviews revealed that most of the new and small bidders are not getting the intended advantage as the large bidders can also participate in the procurement process.</li> <li>• The sanction/debarment process lacks independent review (decision by the head of the procuring agencies is final) except by way of appeal to the judiciary. In addition, absence of detailed procedure/guidelines for debarment causing inconsistent implementation by procuring agencies.</li> <li>• Sustainable public procurement has not yet found its way into the public procurement legislation and practices.</li> </ul>	<p>Substantial</p>	<p>Moderate</p>
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<p><b>Mitigations:</b></p> <p>Please reference detailed MAPS Assessment on the short, medium and long term mitigation measures proposed below:</p> <ul style="list-style-type: none"> <li>- Remove <math>\pm</math> 10% cap from Open Tendering Method (NCT) for works</li> <li>- Undertake following alternative solutions to tackle the issue of abnormally low bids: <ul style="list-style-type: none"> <li>• Incorporate abnormally low bid identification provision based on formula</li> <li>• Increase performance guarantee based on formula</li> <li>• Imposition of milestone based liquidated damage to encourage timely completion of works contracts</li> <li>• Enhance contract management through electronic contract management of e-GP (with geo tagging)</li> <li>• Adopt output and performance-based contracting where feasible</li> <li>• Remove <math>\pm</math> 5% cap and lottery from Limited Tendering Method</li> <li>• Assess how Limited Tendering Method can be used to give preferential treatment to small and medium sized bidders/enterprises, women-led enterprises and startups</li> <li>• Include definition of small and medium sized bidders/enterprises, women-led enterprises and startups in PPA/PPR and include this in the bidder registration process</li> <li>• Update rules to include provisions for promoting SMEs, women-led enterprises and startups</li> <li>• Introduce provision of annual enlistment for LTM bidders based on qualification/experience</li> <li>• Early release of bid security of the bidders except the top three bidders</li> <li>• Create a supplier database with unique identification of bidders and their beneficial owners. Track performance of the suppliers/contractors including specialized groups</li> </ul> </li> <li>- Introduce suppliers/contractors' development program</li> </ul> <p>Streamline emergency procurement provision including complete delegation of the procurement responsibility to the implementing agencies (i.e., selection of procurement method, approval of bid evaluation report and contract), engage UN agencies as partners, use of request for quotation methods without any thresholds etc.</p> <ul style="list-style-type: none"> <li>- Include Quality-Based Selection (QBS) method in the PPA 2006 and PPR2008 <ul style="list-style-type: none"> <li>• Introduce independent debarment process and provision of temporary suspension by the HOPE</li> <li>• Prepare detailed guidelines on debarment procedures including protocol for sharing and receiving feedback on fraud and corruption issues from the Anti-Corruption Commission (ACC).</li> <li>• Publish the consolidated PPA 2006 and PPR 2008 documents in English in the CPTU website for international use.</li> <li>• Finalize all standard/model procurement documents, as listed in the PPR 2008.</li> <li>• Finalize Bangla translated versions of the standard documents</li> <li>• Prepare procurement manual for Goods, Works and Services for all methods of procurement.</li> <li>• Develop a contract management manual</li> <li>• Update e-GP user manual and manual on registration process incorporating recent changes.</li> <li>• Prepare a policy document with detailed implementation road map for sustainable procurement.</li> <li>• Include provision of sustainable procurement in the PPA 2006 and PPR 2008.</li> <li>• Include provision of evaluating bids on the basis of "most advantageous bid" instead of the current "lowest evaluated bid" to facilitate preferential treatment to high quality goods/works including energy efficient/low carbon emitting products, sustainable goods and works.</li> <li>• Update the relevant standard tender documents with provisions of</li> </ul> </li> </ul>		
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<p>sustainable procurement including maintaining environmental and social safeguard during construction.</p> <ul style="list-style-type: none"> <li>• Prepare guidance note on sustainable procurement explaining applicability and procedure of using sustainability considerations in procurement</li> </ul>		
<p>Accountability and Transparency</p>	<p>Substantial</p>	<p>Moderate</p>
<p><b>Risk:</b></p> <p>Pillar IV MAPS Assessment takes aspects of the procurement system and governance environment to ensure that they are defined and structured to contribute to accountability, integrity and transparency.</p> <p>Overall Strengths</p> <ul style="list-style-type: none"> <li>• Reasonably transparent process is followed in formulation of procurement legislation with consultation with large procuring agencies.</li> <li>• Adequate access to information in the procurement process.</li> <li>• Public Financial Management (PFM) system is governed by a set of strong legislative instruments with OCAG as the supreme audit organization.</li> <li>• Financial auditing carried out regularly which covers procurement.</li> <li>• Comprehensive procurement audit manual.</li> <li>• A strong anticorruption system is in place.</li> <li>• Presence of ethical standard in audits and public procurement (code of ethics) and national integrity strategy.</li> <li>• CPTU has developed and soft launched a citizen portal to disseminate procurement and contract management data following the Open Contracting Data Standard (OCDS)</li> </ul> <p>Overall Weaknesses:</p> <ul style="list-style-type: none"> <li>• Some transparency weaknesses - bidders not widely included in public consultation for legislation change.</li> <li>• Audit system is mostly external.             <ul style="list-style-type: none"> <li>o Internal control system is virtually absent.</li> <li>o accumulation of non-resolved observations.</li> <li>o Procurement performance audits not yet taking place.</li> </ul> </li> <li>• Procurement complaint system is lengthy and takes 2-3 months' time to exhaust the entire process.             <ul style="list-style-type: none"> <li>o No mechanism for keeping review panel members up to date.</li> <li>o Complaint tracking mechanism not yet functional for e-GP</li> </ul> </li> <li>• Inadequate monitoring of integrity in public procurement             <ul style="list-style-type: none"> <li>o no national statistics available on corrupt activities specific to procurement</li> <li>o no recognized role of civil society</li> </ul> </li> </ul>	<p>Substantial</p>	<p>Moderate</p>

<p><b>Mitigations:</b></p> <p>Please reference detailed MAPS Assessment on the short, medium and long term mitigation measures proposed</p> <ul style="list-style-type: none"> <li>- Use government tenderers' forums for wide consultation during amendment of procurement laws/guidelines</li> <li>- Launch citizen portal to share procurement and contract implementation data with the citizens following OCDS including facilities for data analytics based on key performance indicators.</li> </ul> <p>Include citizen engagement provision in PPA2006/PPR2008</p> <p>Introduce standardized mechanism for internal control with the development of internal audit manual and module for training</p> <ul style="list-style-type: none"> <li>- Introduce electronic mechanism for capturing audit data and resolution status</li> <li>- Carry out specialized procurement audits/ procurement performance audit especially in large agencies based on periodic risk assessment</li> <li>- Scale-up procurement training for the auditors with appropriate course content</li> <li>- Enforce the requirement of procurement post reviews through enhanced monitoring</li> <li>• Maintain an online data base for review panel cases including implementation status and decisions</li> <li>• Set a timeline to publish review panel decisions in the CPTU website</li> <li>- Arrange regular learning/discussion sessions on procurement issues for review panel members</li> <li>- Enhance e-GP's complaint handling module with facilities to track complaints and their resolution status</li> <li>- Reduce 4-tier complaint handling process to 2-tier process consisting review only at the PE and review panel levels</li> </ul> <p>Introduce standstill period for large value/international procurements</p> <p>Introduce integrity module in e-GP (automatic identification of red flags during tender evaluation)</p> <ul style="list-style-type: none"> <li>- Include comprehensive module on integrity and ethical aspects of procurement including identification of fraud and corruption red flags in the standard procurement training materials of CPTU</li> <li>- Include provision to earmark corruption related to public procurement in ACC database</li> <li>- Review the possibility of giving specific role to CSOs in public procurement</li> </ul>		
<p>Capability in Public Procurement</p>	<p>Substantial</p>	<p>Moderate</p>

<p><b>Risk:</b></p> <p>Bangladesh has a well-functioning nodal procurement policy agency, the Central Procurement Technical Unit (CPTU). CPTU was established in 2002 under the Implementation Monitoring and Evaluation Division (IMED) of the Ministry of Planning (MOP) to carry out procurement reform activities and regulate and monitor the country’s public procurement functions. It is planned to be converted into an independent government agency to be known as the ‘Bangladesh Public Procurement Authority (BPPA)’ to facilitate enhanced autonomy in executing its functions. It will be done through a separate act, Bangladesh Public Procurement Authority Act. The act has been drafted and widely consulted and now at the final stage of placement in the parliament for approval.</p> <p>Overall Strengths:</p> <ul style="list-style-type: none"> <li>• CPTU has clear mandate to carry out public procurement reform and implementation of the reform agenda (being transformed to Authority).</li> <li>• Large procuring agencies are well organized, procurement functions are largely decentralized, and procuring entities’ functions are legally defined.</li> <li>• An institutionalized procurement capacity building program is in place.</li> <li>• e-GP generates KPI based procurement reports.</li> <li>• The medium term rolling budgetary framework (MTBF) provides indicative budget for procurement organizations for 3 years which helps agencies to plan their procurement.</li> <li>• An integrated budget and accounting system (iBAS ++ ) system in place and helps budget control and management.</li> <li>• Average days for payment to the contractors is mostly within acceptable limit. (Survey result: 77% responded bidders received payment within 30 days of bill submission)</li> <li>• CPTU has recently developed and soft launched a citizen portal to disseminate procurement and contract management data following the Open Contracting Data Standard (OCDS). The portal has facilities for data analytics based on key performance indicators.</li> </ul> <p>Overall Weaknesses:</p> <ul style="list-style-type: none"> <li>• CPTU is constrained by its capacity in terms of legal structure, autonomy in decision making, limited staffing, and inadequate analytical and research capability. It largely depends on external experts and outsourced firms which is inadequate to regulate and monitor public procurement for more than 1300 organizations..</li> <li>• Procurement data analytics not systematically used for policy formulation.</li> <li>• Absence of data capture through open data format.</li> <li>• Proper integration of public procurement into the financial management system yet to take place. e-GP system does not yet have an interface with the iBAS++ system resulting in disconnect between procurement value with the budget and real expenditure.</li> <li>• Procurement performance is not generally part of results agreement of the Procuring Entities/Agencies/Ministries and therefore does not contribute to career advancement.</li> <li>• Less recognition of ‘procurement’ as a professional service.</li> <li>• Legal provision on advance procurement planning is absent, though practiced by some PEs, but feel discouraged.</li> </ul>	<p>Substantial</p>	<p>Moderate</p>
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<p><b>Mitigations:</b></p> <p>Please reference detailed MAPS Assessment on the short, medium and long term mitigation measures proposed</p> <ul style="list-style-type: none"> <li>• Connect e-GP with iBAS++ to facilitate – (i) real time capturing of budget utilization, procurement commitment and procurement expenditure; (ii) monitoring and tracking of payment</li> <li>• Ensure generation of reports on payment delay (at national/agency/project/PE level) from the iBAS++ system</li> <li>• monitor the regular payment of bill to minimize the gap between submission of bill until the final payment.</li> <li>• Enhance existing e-GP procurement planning module to upload annual procurement plan covering e-GP and non e-GP procurements with updating functionality</li> <li>• Insert provision in the e-GP Guidelines/PPR 2008 to ensure mandatory uploading of all procurement packages in e-GP procurement plan of a PE or project as applicable.</li> </ul> <p>Include advance procurement procedure in the procurement legislation  Include provision in the legislation for mid-term strategic procurement plan  Reduce the time gap between national budget and availability of the budget at PE level</p> <ul style="list-style-type: none"> <li>• Prioritize formation of proposed Bangladesh Public Procurement Authority (BPPA)</li> <li>• Develop in-house institutional and technical capacity of BPPA (with a set of qualified, experienced and adequate number of trained officials) and gradual lessening of dependency on external support</li> </ul> <p>Publish compilation of interpretations and clarifications provided by CPTU in official gazette</p> <ul style="list-style-type: none"> <li>• Increase procurement approval thresholds at the agency and ministry level with enhanced accountability mechanism</li> <li>• Monitor compliance of the detailed procurement timeline given in PPR2008</li> <li>• Adopt framework agreements at the level of the organization or ministry</li> <li>• Develop e-GP module for framework agreement and electronic catalogues/ e-market place</li> <li>• Develop guideline on using framework agreement</li> </ul> <p>Include provision of electronic catalogue and e-market place in PPR2008/PPA2006</p> <ul style="list-style-type: none"> <li>• Enhance the existing training program to include provision for more bidders' training</li> <li>• Launch online training module</li> <li>• Prepare strategic plan for procurement data management and analytics</li> <li>• Develop necessary data analytics and report generating provisions in e-GP including red flags</li> </ul> <p>Prioritize implementation of 4 tier-based procurement competency and certification framework</p> <p>Include procurement performance as an indicator in the performance agreement for the ministry, agency and procuring entities</p> <p>Create a centralized procurement body at the central or regional level to procure commonly required items</p>		
Public Procurement Processes	Substantial	Moderate

<p><b>Risk:</b></p> <p>Public procurement in Bangladesh is now well established but remains mostly compliance based. The legal and regulatory framework is in place, there is an established regulator (CPTU) and a well performing e-GP system which is growing rapidly. Moreover, there is an extensive capacity development program. However, the emphasis has been given mainly on building this system and ensuring compliance with the essential requirements of the framework. There is scope to elevate the current system into a performance or output based system based on strategic vision and value for money consideration.</p> <p>Overall Strengths:</p> <ul style="list-style-type: none"> <li>• Availability of an array of procurement methods including multi-stage procedures (pre-qualification, two stage tendering method) for large and complex procurement.</li> <li>• 62% procurements of the country by value were processed through e-GP in FY19.</li> <li>• Procurement lead time (invitation to contract signing) for all tenders decreased by 28% - from 86.7 days (FY12) to 62.2 days (FY19).</li> <li>• % share of awarded bids within original bid validity period increased to 90%.</li> <li>• % share of rejected bids decreased from 8% (FY12) to 3% (FY19).</li> <li>• Private sector is vibrant and competitive.</li> <li>• Citizen engagement in contract implementation monitoring is happening in 48 sub-districts with positive feedback.</li> </ul> <p>Overall Weaknesses:</p> <ul style="list-style-type: none"> <li>• 70% of contracts not completed on time - causing delay, cost overruns.</li> <li>• Absence of strategic procurement planning and analysis resulting in higher procurement cost and lower procurement performance. (e.g., too many small procurement packages for recurring items).</li> <li>• Procurement decision approval time for high value contracts (more than US\$ 6 million) is still high and a major source of delay for project implementation</li> <li>• Limited interaction with bidders: information and dialogue failures</li> </ul>	<p>Substantial</p>	<p>Moderate</p>
<p><b>Mitigations:</b></p> <p>Please reference detailed MAPS Assessment on the short, medium and long term mitigation measures proposed</p> <p>Roll out newly developed electronic contract management (e-CMS) module of e-GP and monitor contract management performance</p> <p>Scale up citizen monitoring of contract implementation</p> <p>Undertake capacity development program on contract management and e-CMS including focused training on works contract management</p> <p>Include legal provision for strategic procurement analysis and planning at the organization/sectoral level based on spend analysis, need analysis and market analysis to determine appropriate procurement size and method of procurement.</p> <p>Include legal provision for mandatory market analysis for high value and complex procurements before initiating the procurement process to better understand the market composition, qualification of the bidders and specifications of the product</p> <p>Prioritize formation of Bangladesh government tenderers' forum to facilitate regular interactions and dialogues with the bidding communities in a systematic way</p> <p>Regularly hold dialogues with bidders to let them know about the changes in the legal provision and receive their feedbacks</p> <p>Carry out regular online bidder surveys and opinion polls on specific topics</p> <p>Carry out sector analysis and engagement based on e-GP data</p>		
<p>Environment, Social and Climate Impact</p>	<p>Moderate</p>	<p>Low</p>

Biodiversity Conservation	Moderate	Moderate
<b>Risk:</b> There are moderate risks related to biodiversity conservation as project intervention could create specialization and mono cropping.	Moderate	Moderate
<b>Mitigations:</b> (i) Encourage the use of local/indigenous varieties. (ii) Promote crop rotation and climate tolerant varieties. (iii) Protect forests and wetlands that are critical habitats for endangered species. (iv) Prohibit introduction of exotic species.		
Resource Efficiency and Pollution Prevention	Substantial	Moderate
<b>Risk:</b> Project interventions could lead to increased waste water discharge into streams and pollution from small-scale agriculture.	Substantial	Moderate
<b>Mitigations:</b> The CI's safeguard policies contains detailed measures on protection against pollution.		
Cultural Heritage		No risk envisaged - not applicable
No Risk envisaged.		
Indigenous People	Moderate	Low
<b>Risk:</b> Around 45 indigenous communities are present in Bangladesh most of them living in the Chittagong Hill Tracts, greater Mymensingh, greater Rajshahi, greater Sylhet, Patuakhali and Barguna. IPs are part of the vulnerable population in the country, the program will deploy measures to ensure that they are well represented in program-related decision making, that negative impact is avoided and that benefits also reach these groups..	Moderate	Low
<b>Mitigations:</b> (i) There are no constrains for IPs to participate in project interventions and former projects by the implementing partner have equally targeted IPs. (ii) Project interventions are expected to result in increased incomes, increased food security and improved nutrition for all beneficiaries including IPs.		
Labour and Working Conditions	Moderate	Low
<b>Risk:</b> Unsafe and unhealthy working conditions could occur in the farms and agricultural activities which are either directly or indirectly supported by the project. However, this risk is considerate moderate as the risks are small and site specific.	Moderate	Low
<b>Mitigations:</b> (i) Site specific health and safety guidelines will be developed based on project interventions.		
Community Health and Safety	Moderate	Low

<b>Risk:</b> There are moderate risks around rural communities related to agricultural development, in particular relating to the use of agrochemicals and the consumption of unsafe food. The project will however be aimed at reducing the use of those agrochemicals and ensuring their proper handling, as well as work on safe food production, thereby reducing the residual risk.	Moderate	Low
<b>Mitigations:</b> (i) Adequate roll out of health and safety mechanisms. (ii) Build awareness among project beneficiaries on the importance of health and safety.		
Physical and Economic Resettlement		No risk envisaged - not applicable
No risk envisaged.		
Greenhouse Gas Emissions	Substantial	Low
<b>Risk:</b> potential and might also have significant potential for greenhouse gas emissions (e.g. beef, poultry, dairy, goats and rice). The program however includes measures to reduce emissions. Through those measures, the program is (by World Bank calculations) expected to be a net carbon sink.	Substantial	Low
<b>Mitigations:</b> (i) The ICO and the World Bank closely monitor and review the project's value chain activities and provide regular guidance and feedback on the potential opportunities to reduce greenhouse gas emissions		
Vulnerability of target populations and ecosystems to climate variability and hazards	Moderate	Moderate
<b>Risk:</b> Bangladesh overall has a high exposure and vulnerability to climate change. The project initiatives might get impacted by extreme climate events or natural hazards as the project areas are particularly vulnerable to tropical cyclones and other climatic incidents.	Moderate	Moderate
<b>Mitigations:</b> The project is promoting climate smart agriculture and climate adaptation more broadly, including agri insurance to safeguard the assets as well as economic stability of the beneficiaries in the event of climatic incidents.		
Stakeholders	Moderate	Moderate
Stakeholder Engagement/Coordination	Moderate	Moderate
<b>Risk:</b> Lack of proper stakeholder engagement/coordination may result into reduced ownership and underachievement of targets during the project life cycle.	Moderate	Moderate
<b>Mitigations:</b> The implementing agencies have a strong foot hold in the project areas and this can be leveraged to build multi dimensional stakeholder engagement and synergy.		
Stakeholder Grievances	Moderate	Moderate

<b>Risk:</b> Although the implementing ministry is familiar with the grievance redress mechanisms, the risk is moderate as a new mechanism needs to be established.	Moderate	Moderate
<b>Mitigations:</b> The CI has the capacity and expertise to support with GRM.		