

A Review of DFID's Country Strategy for Bangladesh

CSP 1998 - 2002

**DFID
Bangladesh**

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Acronyms

ADAB	Association of Development Agencies in Bangladesh
ADB	Asian Development Bank
ADP	Annual Development Programme
AJSS	Access to Justice, Safety and Security
ASA	Association for Social Advancement
ASIR	Agricultural Services Innovation and Reform
ASSP	Agricultural Support Services Project
BEHTRUC 3	Basic Education for Hard To Reach Urban Children
BEMAP	Bangladesh Export Marketing Assistance Programme
BIDS	Bangladesh Institute of Development Studies
BiNGO	Big NGO's
BISS	Bangladesh Infrastructure Scoping Study
BLAST	Bangladesh Legal Aid Services Trust
BPHC	Bangladesh Population and Health Consortium
BRAC	Bangladesh Rural Advancement Committee
BRDB	Bangladesh Rural Development Board
CAMPE	Campaign for Popular Education
CAP	Country Assistance Plan
CARE	Co-operative for American Relief Everywhere
CARE INCOME	Increasing Capability of Organisations in Micro Enterprise
CBFM	Community Based Fisheries Management
CFPR	Challenging the Frontiers of Poverty Reduction
CEDAW	Convention on the Elimination of all forms of Discrimination Against Women
CHT	Chittagong Hill Tracts
CIDA	Canadian International Development Agency
CP	Country Plan
CPD	Centre for Policy Dialogue
CPI	Consumer Price Index
CSP	Country Strategy Paper
DAE	Department of Agriculture Extension
DANIDA	Danish International Development Agency
DFID	Department for International Development
DFIDB	Department for International Development Bangladesh
DPHE	Department of Public Health and Engineering
DPME	Department Primary and Mass Education
EC	European Community
ESTEEM	Effective Schools Through Enhanced Education Management
FIMA	Financial Management Academy
FMUs	Financial Management Units
GDP	Gross Domestic Product
GoB	Government of Bangladesh
GGSPS	Good Governance Small Projects Scheme
HEU	Health Economics Unit
HIV/AIDs	Human Immune deficiency Virus/Acquired Immune Deficiency Syndrome
HPSP	Health and Population Sector Programme
HQ	Head Quarters
HUGO	Human Rights and Governance Fund
IDC3	Institutional Development Component (of Road Rehabilitation II and III)
IDTs	International Development Targets

IIFC	Infrastructure Investment Facility Centre
ILO	International Labour Organisation
IMF	International Monetary Fund
LCG	Local Consultative Group
LGED	Local Government Engineering Department
LIFT (CARE)	Local Initiative for Farmers Training
MDGs	Millennium Development Goals
MoF	Ministry of Finance
MTRs	Mid Term Reviews
NAO	National Audit Office
NAP	National Action Programme
NBR	National Board of Revenue
NFEP	Northwest Fisheries Extension Project
NFPE	Non Formal Primary Education
NGO	Non Government Organisation
NORAD	Norwegian Agency for Development Co-operation
ODA	Overseas Development Administration
PAJ	Public Access to Justice
PAM	Poverty Aim Marker
PEDP	Primary Education Development Programme
PIMS	Policy Information Marker System
PETTRA	Poverty Elimination Through Rice Research Assistance
POM	Policy Objective Marker
PRISM	Performance Reporting Information System Management
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
RASTTA	Rapid Adaptive Safety Training for Truckers and Associates
REB	Rural Electrification Board
REFLECT	Regenerated Freirean Literacy through Empowering Community Techniques
REFPI	Research and Extension Farm Power Issues
RHDC (BRAC)	Rural Health Development Committees
RIBEC	Reforms in Budgetary and Expenditure Control
SAFER	Sanitation and Family Education Resource
SAIC	Staff Appointed In Country
SHABGE	Strengthening Household Access to Bari Gardening Extension
SHAKTI	Stopping HIV/AIDS through Knowledge and Training Initiative
SIDA	Swedish International Development Cooperation Agency
SISP	Strengthening Institutional Systems for Planning
SOEs	State Owned Enterprises
SWAps	Sector Wide Approaches
TIB	Transparency International Bangladesh
TSP	Target Strategy Paper
UCEP	Underprivileged Children's Education Programme
UK	United Kingdom
UN	United Nations
UNICEF	United Nations International Children Educational Fund
USA	United States of America
USD	United States Dollars
VAT	Value Added Tax
WB	World Bank
WFP	World Food Programme
WHO	World Health Programme

1. Summary

1.1 Introduction

1.1.1 This report presents a review of the outcomes and impacts of the DFID programme in Bangladesh during the last four years. It compares actions and achievements against the intentions laid out in the 1998 Country Strategy Paper. The review was largely conducted as a self-evaluation by the DFIDB team, with verification by a small external team. It was also informed by two key studies – one on the key drivers for change in Bangladesh, and one specifically assessing DFIDB's influence.

1.2 A difficult development context

1.2.1 Bangladesh has made significant progress in reducing poverty over the last 20 years. However, poverty remains widespread (65 million people still lived below the upper poverty line in 2000), nutrition levels are very poor, large numbers of people lack basic services, and security and human rights are extensively violated especially for women. Lawlessness is generally perceived to have increased throughout Bangladesh during the last few years, as successive governments have failed to address its underlying causes.

1.2.2 Despite the severity of poverty and the magnitude of the economic, environmental, social and political challenges, there are reasonable to good prospects of Bangladesh meeting most of the Millennium Development Goals (MDGs). The major exception remains maternal mortality where Bangladesh has amongst the lowest figures in Asia; only Nepal and Bhutan are worse. This reflects the gendered nature of Bangladeshi society, expressed in widespread disempowerment of women at all levels. Enhancing the position of women in society is an essential component in achieving the MDGs.

1.2.3 The quality and efficiency of the public sector is a major constraint. Faster progress would be possible if measures were taken to raise the accountability and effectiveness of a range of institutions, public, private and non-governmental. Hence, governance improvements, including a reduction of both grand and petty corruption, are central for the development of Bangladesh. It is a significant change that the two major political parties now openly recognise the existence of widespread corruption.

1.2.4 Political will and commitment by top officials are prerequisites for major reforms. The political track record for reforms is not promising. Macro-economic and structural reforms initiated during the early 1990s faltered in the latter years of the decade.

1.2.5 Total international development assistance is a fairly small and shrinking portion of the economy¹. Hence, Bangladesh is growing less aid dependent, and the incentives for Government to co-operate with donors are less strong and different from other developing countries. Consistently, Government and the bureaucracy have not regarded donors as full-fledged development partners and have resisted their involvement in planning and policy-making.

Reaching the MDG

2015: If progress were to continue at the levels achieved in the 1990s then the MDGs would be partially met by 2015. The extreme poverty goal would be reached; but 16 million would live on less than \$1/day, and 40 million would still be below the upper poverty line. Maternal health and environmental targets would not be reached.

¹ In 1990, total aid constituted 10% of the economy, today it's 2 to 3% and less than half of the GoB Annual Development Budget and merely 15% of total GoB expenditure.

The DFID 1998 Country Strategy Paper (CSP) for Bangladesh sets out how DFID aims to contribute to achieving the IDTs in Bangladesh. The strategy notes that it is a major challenge for Bangladesh to achieve further and faster progress in reducing poverty, but there is potential to achieve the IDTs. The strategy suggests that careful targeting and acceptance of long time-frames will often be needed to make a sustainable impact.

CSP 1998 Key Objectives:

- 1) Sustainable improvements in livelihoods and basic services for the poor, extreme poor and those vulnerable to poverty
- 2) Sustainable, broad-based and pro-poor growth
- 3) Better governance and more effective institutions
- 4) Improved realisation of human rights
- 5) Improvements in the position of women in society
- 6) Consistency in DFID and broader UK and Bangladesh Government policies

1.3 DFID’s development efforts in partnership

Assessing the CSP as a strategy

- 1.3.1 DFID’s 1998 Country Strategy Paper (CSP) for Bangladesh was effective in setting out a new agenda for DFID Bangladesh (DFIDB) in accordance with DFID policies at that time. The CSP marked a significant change in DFID’s approach to Bangladesh development with regard to reducing poverty, adopting a sustainable livelihoods framework, adopting a governance and rights agenda and working in partnership with a much wider range of organisations.
- 1.3.2 The DFID office in Bangladesh (DFIDB) refocused its activities on the basis of a stronger poverty analysis, progressed conceptually from the “transactional” to the “transformational” and effected a partial transformation from disparate sub-sectoral projects towards sector-wide and, in some cases, more outcome-based programmes. The country strategy marks a shift in emphasis within this framework rather than a sea change.
- 1.3.3 The CSP did not assist prioritisation between activities and it set an agenda that with hindsight was probably too ambitious. The six CSP objectives were too vague and general to be of operational use for prioritisation. Furthermore, it took time for the human resources in DFIDB to augment in order to deliver the new agenda. Nevertheless, DFIDB has delivered most of what was stated in the country strategy in terms of activities and objectives. By addressing most of the specific tasks set in the CSP, DFIDB has focussed on activities that assist in delivering on promises to contribute to the wider development effort in Bangladesh.
- 1.3.4 The CSP also did not assist in prioritisation between types of aid delivery instruments. Since 1998, aid instruments have continued to evolve and new ways of working are being developed. Many donors, including DFID, are working towards comprehensive joint-funded programmes and Sector Wide Approaches (SWAPs).
- 1.3.5 However, projects are still key vehicles for influencing; providing access to government personnel and processes and, in some cases, policy debates. It is DFIDB’s experience that some influential activities undertaken do not mean spending much money. Small strategic projects can be very influential on policy debates and reform. However, this can conflict with staffing constraints and the need to reduce the number of separate activities. In recognition of these conflicts, DFIDB has created small strategic funding mechanisms available for early response to activities that are too small for individual projects.
- 1.3.6 The 1998 CSP has not been an effective vehicle for integrating DFID Bangladesh activities with other activities supported by DFID or other UK departments in Bangladesh. Interaction with DFID HQ is predominantly one-way in the form of policy initiatives or requests of information from HQ. There is also limited intra-regional office interaction and a lack of systematic incentives and mechanisms for sharing experiences and knowledge. However, this has been recognised and attempts are being made to improve regional knowledge management, including creating posts for regional livelihood and statistics advisers to improve intra-regional interaction.

Assessing DFIDB's impact in the CSP period.

- 1.3.7 Bangladesh is definitely developing. However, an evidence-based assessment of the contribution to that development by DFIDB's programme has proven difficult, as attribution is hard to demonstrate. Evaluative material does support a judgement that DFID has through its country programme had an impact on millions of poor people primarily through the programme support of NGOs². It is more difficult to detect direct impact on poor people through DFID's work with the Government. There are a number of reasons for this. The first is that even successful government programmes, for example RIBEC, do not have a direct and immediate impact on the poor. Further, major impediments to effective government delivery are also major impediments to effective reforms in government and major problems in the effectiveness of public service remain. However, some notable improvements in processes and institutional capacity have been implemented through DFID's support. It is therefore possible to demonstrate plausible associations and linkages between development outcomes at the intermediate level in several sectors and DFIDB's programme support, albeit with DFID as one of several partners in that sector³.
- 1.3.8 DFIDB's Poverty Review suggested that DFIDB supported programmes do not, in general, reach the extreme poor. In response to this, DFIDB has developed major new programmes with BRAC and in the Chars to impact directly on the most vulnerable. But the dilemma remains that on the evidence available DFIDB will achieve a proven direct impact on poor people in the short term (possibly up to 2015) mainly by working outside government through the NGO network. However, in the longer term it is only sustained improvement in delivery of public services that will deliver poverty reduction to the majority of the poor. A balance needs to be struck between the short and long-term goals and the choice of aid instruments.
- 1.3.9 DFIDB is the second largest bilateral donor in Bangladesh and has a seat at almost all discussions of importance for development due to its programme size, approach and influence. Its delegated decision-making powers contribute to the perceived responsiveness to development partners, assisted by a gradual rising trend in funding commitments. DFIDB is considered highly effective in supporting, often leading, strategic analysis and changes in approach by the community of development agencies in Bangladesh⁴.
- 1.3.10 DFIDB has significantly increased its efforts to engage with and influence other development partners during the CSP period with considerable impact especially on other donors. DFID's active participation in donor consortia and the Local Consultative Group (LCG) mechanisms provide a vehicle for influencing other donor's policies.
- 1.3.11 However, the effectiveness of donor coordination has been tempered by a lack of Bangladeshi government involvement within many LCG sub-groups. DFIDB's impact with Government has been weaker. It has proved particularly difficult to influence high-level policy makers due to the intense polarisation of the political process and suspicions of external influences.

Perception of DFID Bangladesh:

Development partners see DFIDB as well resourced, both financially and in staff terms. (DFIDB's Influencing Study)

² Examples include, BRAC reaches 1.5 million poor and disadvantaged children, "The Hard to Reach Project", has provided education for over 330,000 working children and over 7 million households (Over 25% of rural poor households) participate in DFID funded micro-finance projects, aimed at poor rural women.

³ Evidence drawn from Midterm Evaluations and reviews in the following programmes: fisheries and livestock projects, the health sector and the transport sector, mainly through our work at the Roads and Highways Department.

⁴ The DFID Bangladesh "Influencing Study", June 2002. Page 23.

1.4 Lessons for the future

Key lessons include:

- The CSP was accurate both in its diagnosis of problems and its broad emphasis. The new Country Assistance Plan (CAP) approach marks a shift in emphasis rather than a dramatic departure from directions set by the CSP. The focus for the new CAP will be on how to set priorities for our programme.
- For the time being non-government channels are likely to be the most effective in bringing direct benefits to poor people in the short term, but the long-term development of Bangladesh depends on improvement in the effectiveness, quality and availability of public services. We need an appropriate balance between supporting non-governmental actors and enabling public services in ensuring that development objectives are met.
- Improvements in governance will continue to be central for the development of Bangladesh in the foreseeable future. However, political will is a prerequisite for major reforms. It is not always lacking. Further analytical work that considers the political process will enable a better understanding of how we can support drivers of pro-poor change and influence development actors.
- The failure of women to benefit fully from development in Bangladesh and female over-representation amongst the poor, suggest that the CSP focus on improving the position of women in society remains key to meeting the MDGs. Our work in this area has been almost entirely non-governmental. The question of balance between work with and without government is pertinent in this area.
- Longer time frames are required and we need to be more modest about what we can achieve in any given period. Persistence is vital in engaging with senior officials and politicians in order to build mutual understanding and foster ownership. Bangladesh is gradually getting less aid dependent and we need to understand better the incentives for Government to interact with us.
- Impact and outcomes will remain hard to measure, especially as we work more through and in close partnership with other donors and partners, and the question of attribution will continue to be a challenge.
- We need to move beyond donor coordination to donor cooperation, where each donor concentrates on its comparative advantage.
- Supporting pro-poor change and exerting influence on development processes in Bangladesh is staff intensive but often does not spend significant programme reserves.

Key review lesson:

Improved prioritisation of areas for influence and a better understanding of the policy making process are required for the future

2. Preface

- 2.1 Assessing outcomes and impact: This is a review of the outcomes and impacts of DFID's programme in Bangladesh during the last four years. It assesses what has been done, and achieved, against the intentions laid out in the DFID Bangladesh 1998 Country Strategy Paper (CSP). The review is not an aid effectiveness review, but seeks to link development outcomes, intermediate impacts and our programme. A new strategy (now called a Country Assistance Plan) is due in early 2003. This review accounts for our past work and suggests lessons for the future.
- 2.2 The review process: The review started in late 2001. DFIDB began by consulting with DFID's Evaluation Department to draw on lessons learned from other strategy reviews. In view of the amount of evaluative material already available on activities in the programme, much of it drawing on external advice, it was decided to use a mix of external and internal assessments, to capture staff knowledge, and ensure an element of external assessment and critical analyses. A CSP Review Facilitation Team, consisting of both external individuals and DFID staff, was established to coordinate the various CSP End of Cycle Review activities⁵. DFIDB teams assessed existing documents and conducted a stocktaking exercise, which was later expanded to include an internal analysis of outcomes and impact across different themes and sectors. An "Outcome Analysis Matrix", summarising the various findings, is attached⁶.
- 2.3 Two external studies assessed; i) the major development trends and the Bangladeshi context ("Supporting the Drivers of Pro-Poor Change")⁷, and ii) DFIDB's interaction and engagement with key stakeholders ("The Influencing Study")⁸. As the three review processes were conducted at the same time (October 2001 – June 2002), it allowed for effective cross-referencing during the whole process, including broad participation and involvement of development stakeholders and partners in Bangladesh. Both studies included elements of feed-back and dissemination during the review period. The major findings and recommendations from these various assessments are incorporated into this review report.
- 2.4 The three review teams (two external plus the internal DFIDB team) have all struggled with the issue of attribution: both that between overall development assistance and national achievements and failures, and between DFIDB's programme and verifiable outcomes and impact. The aim has been to demonstrate a robust and evidence based analysis of the impact of DFID's efforts over the review period. The country context includes constraints as well as drivers and levers for change. The evidence of outcomes and impact reflects what is known, collectively, about what has worked and therefore where opportunities might be for future assistance. DFIDB's programme, which includes aid instruments, financial resources, knowledge and skills, will need to be reshaped to help achieve better outcomes in the future.

⁵ Including Peter Bazeley (external consultant), John Gordon (DFID HQ) and Bo Sundstrom (DFID Bangladesh and coordinator of the CSP review process).

⁶ Annex 1: "Outcomes and Impact Assessed Against DFIDB's Bangladesh CSP Objectives".

⁷ The "Supporting the Drivers of Pro-Poor Change" Study team included Alex Duncan, Jayanta Roy, Pierre Landell-Mills, David Hulme and Iffath Sharif.

⁸ The Influence Study team included David Watson, Diana Goldsworthy and Archana Patkar.

Key Indicators 2000:

GNI per capita: \$370
GDP growth: 5.9%
Inflation: 1.9%

Population: 131 m
Urban population: 24.5%
Life expectancy: 61.2
Fertility rate: 3.1
Infant mortality rate: 60.0
Illiteracy rate, adult female: 70.1%

(World Development Indicators database April 2002)

Economic Indicators for 2001-2002

GDP growth: 4.8%
Inflation: 2.8%
Revenue to GDP ratio: 9.8%
Expenditure to GDP ratio: 14%
Fiscal deficit: 4.4%
Consolidated deficit: 8.0%
Reserves: \$1.5 billion

(GoB budget speech June 2002)

Poverty Trends from 1990 to 2002:

The percentage of the population below upper and lower poverty lines fell by 9% and poverty headcount indices declined by 1% per year. The Gini coefficient rose from 0.388 to 0.417. The number of people living below the upper poverty line stayed virtually unchanged at 63 million while the number of extreme poor declined only marginally. Urban income distribution worsened at a faster rate than rural income distribution.

(Household Income and Expenditure Survey 2000)

3. The Bangladesh Context and the Challenges

3.1 Bangladesh appears to be on course to meet most of the MDGs, but those for maternal mortality and environment will probably not be achieved. However, there has been no analysis of how the environmental situation will impact the sustainability of achieving other MDGs. There has been sustained economic growth during the last ten years. Headline poverty indicators show a downward trend, although inequality appears to be increasing. Quantitative progress has been made in educational enrolment and access, although qualitative problems are glaring. Infant and child mortality is much improved. Overall, Bangladesh is a country where development is happening. However, the challenges are significant. Understanding DFID's response to these challenges requires attention to the context.

3.2 Bangladesh has experienced relatively good economic growth during the last ten years. During the nineties, GDP per capita grew at around 3% per year, and during the last five years, per capita growth reached a peak of 3.8%. Exports have been an important engine for growth, particularly the ready-made garments sector. But manufacturing remains secondary to the agricultural sector⁹ as the main provider of employment. Governance problems remain major constraints to growth. An uncertain political, institutional and legal environment hampers private sector initiatives and competitive industries. Bangladesh attracts very low levels of foreign direct investment confined to a small number of sectors. Natural gas remains largely unexploited despite potentially huge export earning potential. Infrastructure (transport, telecommunications and power) provision is inadequate and constrained by inefficient public ownership. Thus, while Bangladeshi growth has been good, it could have been much better.

3.3 Bangladesh remains one of the poorest countries in the world. Gross National Income is around \$50 billion (2001). This is equivalent to an average of \$ 380 per person. As of 2001, half of the country's population are poor (65 million). The absolute number is rising as the population expands. It is estimated that one-fifth to one-third of the potential poverty reduction from growth in the past two decades may have been lost because of increasing inequality (World Bank 1999). Income distribution is becoming increasingly unequal and the extreme poor are not benefiting from economic growth to the same extent as other people¹⁰.

3.4 A third of the population (43 million) live in extreme poverty. They are more likely to be without assets, reliant only on their labour, elderly, female, without family support, sick or outcast. To an even greater extent than the "moderate poor", they lack the fundamental requirements of a decent life: basic health, education, economic opportunity and dignity. They are deprived of rights or voice. They often live at the limits of survival. Women and children are disproportionately affected. Almost all (95%) of female-headed households are estimated to be below the poverty line, with 40% being classified as extremely poor. There are over 6 million child labourers. Vulnerability to natural disasters, sickness and other shocks is acute. In any given year, many people fall into, as well as climb out of, poverty and extreme poverty because of vulnerability.

3.5 A key aspect of this vulnerability is exposure to violence. Disputes at all levels of society are resolved through force, and networks of patronage are operated and protected by

⁹ Although the share of agriculture in the economy has fallen from over 55% in 1970 to around 25% in 2000, farming (especially paddy) is still the backbone of the country and agriculture and livestock provide employment for around 60% of the population. Bangladesh is food-grain self-sufficient, thanks to mainly irrigation. Over 65% of all cultivated land now consists of double or triple cropped areas (BRDB 1997).

¹⁰ There is a growing differential between urban and rural Gini co-efficients.

violent means. Instead of offering solutions, government and law enforcement agencies are part of the problem, with political parties appearing to condone attacks on opponents, and individual officers acting with impunity in the knowledge that they are unlikely to be punished. Poor people most often stand to lose as a result of such behaviour, and have proportionately more to lose from any individual incident of abuse. This is especially true for women who are not only targeted amongst poor people for different kinds of abuse, but are also at constant risk of sexual violence.

- 3.6 Bangladesh has made considerable progress in twelve critical gender areas of concern as identified in the Beijing Platform for Action. Formulation and approval of the National Gender Action Plan (NAP) is a noteworthy institutional measure. However, the most significant barrier to poverty elimination in Bangladesh is the fact that over 50% of the population living in poverty experiences a double barrier in access to resources and rights because they are women. Efforts to reach the 2015 poverty targets will remain insufficient until the equality of poor women becomes a core part of all programmes¹¹.
- 3.7 Bangladesh is the most densely populated country in the world (excluding city states). Population density creates social and not least ecological pressures. These are intensified by the distribution of resources. For example, land control is skewed (13% of rural households control 77% of the land)¹². Elites exploit limited natural resources leading to environmental degradation as poor people are forced to cultivate marginal areas. There are few incentives and mechanisms for sustainable natural resource management. Overall, policy makers and politicians give low priority to resource access, and environmental issues, which could benefit more people's livelihoods. Furthermore, there is a lack of baseline data and monitoring of environmental trends, especially how these cut across development achievements.
- 3.8 Democracy was restored in Bangladesh in 1991. The country has had two changes of government after free and fair multi-party elections. In 1997, local elections were held at Union level, the lowest tier of local government. Voter turnout in all these elections was high, including by women. Electoral changes of government are positive indications of popular dissatisfaction with performance. However, there are negative aspects of the present political system. Parliament is dysfunctional and government and opposition rarely debate. Even, when all parties are present, Parliamentary procedures are poorly understood and the oversight functions are not performed effectively. Concepts of citizens' rights and representatives' accountability are not established.
- 3.9 Politics is structured by patronage. The influence of local and national politicians is determined more by pyramids of patronage, than by performance. Patronage also influences the allegiance of civil servants – to elites rather than citizens. Such structures determine the distribution of resources, more than legal and administrative rules. The result is what has been called a “patron state”. Inefficiency and corruption are major obstacles to Bangladeshi development. Democratisation has created more public debate on the issues and is enabling a more plural civil society, but is barely making an impact on governance. Hierarchies of patronage explain why major structural reforms have not been implemented: there are no immediate incentives for real change. Instead, politicians, civil servants, and local elites act as selective patrons to those below, and clients to those above. Personal loyalties and largesse often clash with the formal rules and legal entitlements. This is a major cause of corruption, and corruption supports patronage.

Women in local government:

In 1997, 12,828 women were elected for the first time as members of Union Council due to a provision of three seats specifically for women, out of 12, at the lowest level of government. The challenge is now to consolidate their voice and make their presence more visible.

Women's representation in Parliament:

The provision for 30 reserved (nominated) seats for women expired in 2001, and major political parties are committed in their manifestoes to introducing reserved but elected seats for women in Parliament. This has not happened.

Bangladesh Election 2001

- No of voters: 75 million
- Votes cast: 56 million
- Voter turnout: 75%
- Number of centres: 29,978
- Number of Election Officers: 477,842

(CRI 2002)

¹¹ Lina Pyne: 2001, DFIDB's Future Support to improvement in the position of Women in Society, A strategic vision for DFIDB's CSP 2002-2006

¹² Derived from 1996 Census data, Statistical Pocket Book of Bangladesh, 1998, p.199.

Bangladesh Budget Resources 2002-2003

Taxes:	57%
Non-tax revenue:	17%
Domestic borrowing:	12%
Foreign funds (Aid):	14%

(Ministry of Finance)

Total aid flows in 2000

(USD millions)

1. World Bank	(275)
2. Japan	(202)
3. ADB	(198)
4. U.K DFID	(103)
5. EC	(68)
6. UN	(all 68)
7. U.S.A.	(63)
Total:	1.4 billion

(Aid/capita: 11 USD/year)
- DFID accounts for about 8% of all development assistance to Bangladesh.

- 3.10 Public policies have lacked coherence and overall institutional capacity is weak. Government has a number of reasonable policies in place, but lacks the political commitment and capability to put policies into practice. Macro-economic and structural reforms implemented during the early 1990s faltered in the latter years of the decade. Promised privatisation of state-owned enterprises has not happened at the pace promised. Little has been achieved in the reforms of public administration. Institutional constraints present a real challenge to identifying effective sustainable development interventions.
- 3.11 Good governance has become a high profile issue, particularly in the last five years. In 1996, the World Bank published a country report on "Government That Works". It presented some Bangladeshi success stories (e.g. LGED, REB). But overall, it presented a huge change agenda, with over 200 recommendations for public administration reform. Similar recommendations have been made by successive government reports but few have been implemented. The subject of corruption became more prominent in donor-government dialogue, and caused a worsening of relations towards the end of the 1990s. It is significant change that both political parties now openly recognise the existence of widespread corruption.
- 3.12 Total international development assistance is a fairly small and shrinking portion of the economy. However, international aid is still a significant part of the government's development programme and of development programmes by major NGOs. DFID's share of all aid has increased from around 5% in the mid-nineties to almost 9% in 2000. All other donors have poverty alleviation as an overall objective, although approaches vary - from an emphasis on infrastructure (mainly Japan, WB, ADB, EC) to support to the social sectors, to social mobilisation and human rights¹³ (often the smaller bilateral donors). International aid flows to Bangladesh have gradually decreased in the last decade: from around USD 2 billion/year in 1991, to 1.2 billion in 2000.
- 3.13 As the economy grows, Bangladesh is getting financially less aid dependent. In 1990, total aid was estimated to constitute 10% of the economy. Today, it is 2 to 3%. Aid financed almost 100% of the Government's Annual Development Programme budget in the early nineties. Today it makes up slightly less than half or about 15% of total expenditure. One result of this reduced aid dependency has been an increasing use of commercial credit to finance public expenditure instead of accessing concessional finance.
- 3.14 Although international aid supports the development programme, Bangladesh is by no means dependent upon this resource. The total of officially recorded annual overseas remittances is greater than the annual total flow of aid. This is perhaps one factor in explaining why it is that development agencies have low leverage with the government. Another factor is that successive governments have demonstrated a degree of public hostility towards donors. Some commentators believe donor influence is invasive and has diverted Bangladesh as a new country from its original constitutional aims. It is commonplace to find, in line ministries and perhaps in the Cabinet, a belief that policy-making is the government's sovereign business and right and is to be preserved without donor "interference". Nevertheless, at a micro level donor interventions are often welcomed both for the additional resources as well as the access to ideas and knowledge they bring. There are ironies here, and contradictions. Development agencies generally believe they are not influential enough; government believes donors are too invasive and civil society commentators' either claim that donors are too powerful or donors do not use their power effectively.

¹³ Around 10% of all aid is channelled to national NGOs. One NGO, BRAC, accounts for a large proportion of such donor assistance, followed by Proshika, ASA and a handful of other NGOs.

- 3.15 Development efforts in the past focused mainly on discrete, transactional projects that could demonstrate immediate outputs. Many donors displayed a preference towards non-government organisations. They are perceived as delivering project outputs, and working more closely with poor people, more effectively than government. Ring-fenced projects, and obtaining short-term wins, have sometimes discouraged engagement with longer-term policy and institutional reforms that are needed if Bangladesh is to achieve its potential and reduce poverty faster. Few donors have engaged systematically with the private sector.
- 3.16 There is also growing recognition that large monolithic institutions cannot address the complexity of sustainable development in Bangladesh. Increasingly donors (and government) are being challenged to find ways to support the dynamic networks of actors (including private businesses and associations), agencies and organisations that need to operate together to support sustainable growth in rural areas. On the other hand, in recent years a significant portion of donor investment, both financial and human has focused on expanding of the role of Government. While designed to improve quality and coverage, the size of investments, short timeframe and complexity of these projects have further entrenched and overloaded the bureaucracy and created the opportunity for mismanagement, and, in some cases, conflict and corruption.
- 3.17 An interesting example is the Fourth Fisheries Project, which in the current phase of donor investment involves public sector fisheries management that stretches over a decade and half. This particular project is designed to assist the government of Bangladesh move towards pro poor systems of supporting the fisheries sector. The rate at which the project has been able to achieve its objectives has been consistently constrained by the complexity of the project and capacity of Department of Fisheries. The key question is whether spreading an equivalent investment over a wider range of partners (including but not limited to the Department of Fisheries) would have achieved a quicker and stronger development outcome.
- 3.18 Development issues are well studied in Bangladesh. There is also a very wide consensus on key problems and what needs to be done to address them. Much of this consensus is recognised in the Government's own policy and strategy documents.¹⁴ The continual and almost universal failure is to turn these strategies into plans of action. Even where action is promised implementation is often ineffective.
- 3.19 The Government is currently (August 2002) drafting an interim Poverty Reduction Strategy (PRS) called "A National Strategy for Economic Growth and Poverty Reduction". An appropriate PRS process could also trigger additional funding, both grants and loans, from the international donor community. Although the Government is embarked upon a consultative process it is not clear why the PRS should suffer a fate different to that which has befallen all previous Government strategy documents. However, there are signs that that consultation around the interim PRS is going on within the line-ministries and with civil society. The Government plans to forward its interim poverty strategy to the IMF/World Bank in September 2002 for a Joint Staff Assessment, which might trigger concessional lending in the near future.

I-PRSP Objectives:

- Pro-poor economic growth
- Human development
- Women's advancement and closing of gender gaps
- Social safety nets
- Participatory governance and enhance voice of the poor

¹⁴ E.g. GoB Memorandum for 2002 Development Forum, National Education Policy, National Water Policy

DFID programme allocations, by sectors 1998/99 (£m):

Education:	7
Health:	3
Natural Res:	10
Roads/Bridges:	11
Water/Sanitation:	0
Energy:	6
Micro-finance:	2
Good government:	4
Others:	5
Total:	58

The Sustainable Rural Livelihood Strategy:

- Reduced vulnerability
- Dynamic rural economy and pro-poor growth
- Improved local governance and responsive institutions

4. DFID's Response: the 1998 Country Strategy

4.1 The 1998 CSP prioritised both policy and institutional issues, but also emphasised achieving direct impact on poor people's lives and livelihoods. It explicitly recognised poor governance and weak institutions as the most important development constraints. It stressed the importance of working with NGOs and wider civil society. Emphasising the need to work in partnership with others, the CSP contained six key objectives:

- Sustainable improvements in livelihoods and basic services for the poor, extreme poor and those vulnerable to poverty;
- Sustainable, broad-based and pro-poor growth;
- Better governance and more effective institutions;
- Improved realisation of human rights;
- Improvements in the position of women in society;
- Consistency in DFID and broader UK and Bangladesh Government policies in support of the elimination of poverty in Bangladesh.

4.2 The sectors highlighted by the 1998 CSP were not radically different to previous periods: health, education, natural resources and infrastructure, and support to micro-finance and social service NGOs. However, the CSP did mark a significant change in DFID's approach to supporting development. Four strategic differences with the past stand out.

4.3 First, the CSP was informed by better poverty analysis. The text is brief. But the language used refers to a more detailed study (Rahman, 1998)¹⁵. This provided a framework distinguishing between those vulnerable to poverty, the moderate, and extreme poor. It highlighted issues of vulnerability and shocks and provided a more qualitative understanding of poverty. The recognition of different "poverty groups" and upwards and downwards mobility stimulated improvements in DFIDB project design and appraisal, and a more critical approach to monitoring and evaluation.

4.4 Second, the CSP adopted the emerging sustainable livelihoods framework¹⁶. This encouraged attention to different dimensions of poverty, broader than income measures. This led to a re-thinking of DFIDB's large Natural Resources and Fisheries portfolio away from sectoral technical interventions to addressing broader rural development outcomes. Such projects were previously top-down and supply driven when compared to the sustainable livelihood framework. This shift has taken several years to implement. As part of this, a new Rural Livelihoods Strategy was completed in 2001, incorporating recommendations from the environment approach paper. The result has been a number of cross-office livelihoods programmes developed and a more strategic focus and priorities to natural resource interventions.

4.5 Third, the 1998 CSP outlined a broader governance and rights agenda, including initiatives to mainstream environment in all DFIDB programmes. This was informed by path-breaking analysis of governance in Bangladesh¹⁷, an analysis that has been adopted and developed by other agencies¹⁸. DFIDB was already active in public administration reform. After 1998, these activities were extended, and were supplemented by new

¹⁵ "A Strategic Review of Poverty Issues in Bangladesh", commissioned from H.Z.Rahman, who led the internationally recognised Poverty Trends Analysis Project of BIDS (1987-96).

¹⁶ Diana Carney (ed) Sustainable Rural Livelihoods: "What contribution can we make?" DFID 1998.

¹⁷ Geof Wood and Peter Davis, "Engaging with Deep Structures: linking good governance to poverty elimination in Bangladesh" DFID Bangladesh. 1998.

¹⁸ Geof Wood, "Prisoners and Escapees: towards political and administrative improvement"

emphasises on governance in all sectors and on working with more diverse partners in civil society. Rights-based approaches were also brought more into focus, leading to realignments in health, education, and livelihoods projects – emphasising stakeholder accountabilities, inclusion and social mobilisation. Such approaches also prioritised more direct engagement on advocacy and justice. The CSP emphasis on women’s position in society became defined in terms of women’s rights and gender equity after 1998. In education, this specifically led to a strategic focus on rights and empowerment for girls, women and children.

- 4.6 Fourth, DFIDB approaches began to change as a result of the CSP. Such changes were a reflection of significant shift within DFID as a whole, after the UK White Paper on International Development in 1997. This mandated DFID to become a more poverty focused “development” rather than “project delivery” agency. The impacts on DFIDB can be seen in: changing objectives, new functions for DFID staff, a shift towards different aid instruments, and new ways of working within the office.
- 4.7 Changing objectives are seen in project justifications after 1998. More programmes in all sectors started to aim at “creating an enabling environment”. Policy and institutional reforms in state institutions became a priority. This contrasts with previous years, in which DFIDB projects were defined by more technical and organisational outcomes. The contrast represents a deliberate shift from transactional to transformational aims.
- 4.8 New functions such as forging “partnerships”, and “engaging and influencing” became more explicit in DFIDB language and work-plans. In practice, it has proved easier to forge such partnerships and exert influence on other development agencies than it has on national stakeholders, government or NGOs.
- 4.9 DFIDB has become more aware of issues faced by the extreme poor as a result of the ‘voices of the poor’ consultation and our increased support to NGOs working on social mobilisation and advocacy for poor people¹⁹. We have also become aware as a result of our poverty review and reviews of micro-finance activities of the difficulties of reaching the extreme poor.
- 4.10 Aid instruments evolved, although not dramatically. Over the last five years there has been a gradual shift from smaller management-heavy projects to fewer, bigger, and more strategic programmes. Sector-Wide Approaches (SWAPs) have been explored. A Health and Population SWAP was established with strong DFID support in 1998. Significant efforts were made to promote such approaches in Education (and Agriculture). DFIDB also co-financed more projects with other donors than in the past. These shifts meant DFIDB staff spending more time working with partners, promoting more collaborative programmes.
- 4.11 In late 1998, a Management Review recommended that more staff were needed to implement the CSP. Examples included more administrators and crosscutting advisers. Staffing has expanded in ways that have changed DFIDB’s capacity and profile. More Bangladeshis are now in senior positions, both advisory and administrative. There are more staff dealing with governance and rights issues. A larger cadre of Programme Managers with “project officer” responsibilities has been created. The result is a transformation from the ODA office of the 1990s, which consisted mainly of advisers “running projects”. Recruiting internationally took time. New governance and rights

By 2002, DFID's programme had:

- Expenditure (over £70m pa) split more or less equally between directly poverty focused, inclusive and enabling initiatives.
- Almost 60% of funds being spent alongside other donors in pooled or consortia arrangements.
- Much larger allocations to governance and rights based initiatives than in the mid 1990s.

(APPR Revised 2001/02)

1998 Management Review

- Recommended strengthening the office with 4 additional advisers, 2 additional UK based administrators, 13 additional SAIC staff and 2 additional Sector Managers.

Leading to;

- More time and attention to management and training
- Greater use of Bangladeshi professional staff
- Freeing advisers of administrative tasks

¹⁹ Support to Nijera Kori, SAMATA, BRAC , Proshika etc.

staffs were therefore only in place several years after the CSP was published. New administrative staff has been recruited gradually. It has been proved difficult to identify and attract senior Bangladeshi staff with the requisite skills.

- 4.12 DFIDB also had to complete previously approved projects. These required time and resources and constrained the scope for, and pace of, change within the programme. Existing programmes also created biases. It was easier to design “follow-on” projects, or “another phase”, than to move into a new area for DFIDB. Arguably, this created a supply-driven tendency in parts of DFIDB’s work.
- 4.13 New ways of working within DFID have evolved that better reflect the multi-dimensional causes of poverty, notably in support of Key Objective 1 (Livelihoods and Basic Services). Natural Resources, Fisheries and Engineering staff became a more co-ordinated Sustainable Rural Livelihoods Group. Health and Education teams more often worked together as a Human Development Team. Flexible strategic funds were introduced for engaging and taking forward small initiatives, for example in supporting LCG Sub-groups. Office-wide synergies started to be explored around cross sectoral issues. Examples include: post-literacy, continuing education and vocational training programmes focusing on livelihoods and market linkages, mainstreaming environment (environment/health, environment/ responsible business), and education and health teams working on HIV/AIDS initiatives.
- 4.14 DFID corporate policy has continued to evolve since the production of the CSP most notably through the production of a set of Target Strategy Papers, describing strategies for meeting the MDGs, and the second White Paper on Globalisation. The Target Strategy Papers have been frequently helpful in refining DFIDB’s approach to its CSP objectives. It has proved more difficult, however, for DFIDB to re-prioritise its programme fully to accommodate the second White Paper agenda although some significant moves have been made in this direction. This is partly due to the Bangladesh context, partly due to ongoing activities having to be completed and partly due to the need to focus on a limited number of areas where a real impact can be made.
- 4.15 Assessing the 1998 Country Strategy: The nature of DFIDB’s organisational change and its existing programmes, combined with the challenging context, are relevant when assessing achievements against the CSP. New initiatives have often taken years to develop. The impact of many newer initiatives is as yet unclear and therefore difficult to evaluate at this stage. We can, however, review achievements against commitments, make judgements and suggest important lessons for the future. The following chapters present our attempt to assess the country strategy in light of the overall developments and achievements during the last four years.

5. Critique of the 1998 Country Strategy

- 5.1 The Bangladesh CSP was one of the first to be produced by DFID after the publication of the first White Paper on Development. The 1997 White Paper on Development provided the principles under which the DFID programme in Bangladesh operated and had a major influence on the CSP. However, lack of a clear national development strategy in Bangladesh under which to operate meant that most of the agenda was DFID rather than country driven.
- 5.2 It was also notable that in spite of wide consultation within DFID before the finalisation of the paper, most of the CSP and subsequent actions referred to those undertaken by DFID Bangladesh rather than DFID corporately²⁰. The CSP is an ambitious document and it includes a large number of intentions and suggestions for action. With hindsight we view it as too ambitious bearing in mind the development challenges in Bangladesh and the available financial and human resources at the DFID office and nationally.
- 5.3 The CSP remains relevant almost four years after its publication and still provides the basic framework under which DFIDB operates. It is still handed out to external parties as a statement of the DFID programme. The CSP was one of the first official donor documents in Bangladesh that made specific references to corruption, mismanagement and other institutional weaknesses. It can be considered to have influenced other donor strategies for example that of the Scandinavian countries²¹ and the EC.
- 5.4 Although the CSP provides a useful statement of DFID's objectives and intended method of operation, the DFIDB team has not found it helpful in the setting of priorities. The objectives are stated in a general manner and it is therefore not difficult to justify a wide range of activities through reference to the CSP objectives. The strategy was also weak on the 'cause and effect' logic between intermediate level outcomes and the higher-level impact on development, which was anticipated in the document.
- 5.5 The relationships between the six objectives are not clear. This was already recognised during 1999, when the office attempted to log frame the objectives and develop useful indicators. This became difficult and the initiative was not taken forward. Objective 1 (Better services and livelihoods for the poor) and Objective 2 (Pro-poor economic growth) reflect real world outcomes and are areas where major spending programmes can and have been developed. Objective 3 (on better governance and more effective institutions) could be seen as a means of reaching Objectives 1 and 2 rather than an objective in its own right and activities tend to be incorporated into sectoral programmes rather than being activities in their own right. Objective 4 (on Rights) and Objective 5 (on Improving status of women) are a different order of objective to Objectives 1 and 2. They are seldom the subject of specific programmes and need to be mainstreamed into everything DFID B supports. Objective 6 (on Policy consistency) is more about ways of working than an output and it fits uneasily with the other objectives. Its wording was unclear and it was rapidly found to be of little value in helping to guide the programme.
- 5.6 Furthermore, the CSP objectives were not directly linked with any verifiable indicators of real world outcomes through a monitoring and evaluation framework, making it difficult to evaluate the impact of actions detailed in the CSP and the framework it set out.

1998 CSP Structure:

- Summary
- The Challenge
- Partnerships
- Current Programme
- Future Strategy
- Implementation
- Programme Resources

Governance issues identified in the 1998 CSP:

- Dominance of elite
- Fragile democracy
- Lack of representation by the poor
- Politically sponsored violence
- Extensive patronage
- Lack of transparency
- Limited accountability
- Widespread corruption
- Weak institutions

CSP 1998 Key Objectives:

- 1) Sustainable improvements in livelihoods and basic services for the poor, extreme poor and those vulnerable to poverty
- 2) Sustainable, broad-based and pro-poor growth
- 3) Better governance and more effective institutions
- 4) Improved realisation of human rights
- 5) Improvements in the position of women in society
- 6) Consistency in DFID and broader UK and Bangladesh Government policies

²⁰ Please refer to paragraph 8.13 for a description of [DFID Central Initiatives](#).

²¹ E.g. SIDA's "Country Analysis of Bangladesh", 2001, a background document for the Swedish country strategy.

The 1998 CSP formulation process:

It consisted of a combination of reviews, studies and consultations over an eight-month period in 1998. The main reviews covered:

- Promoting good governance,
- Knowledge and experience of poverty,
- Environmental issues,
- Land-based natural resources and fisheries.

- 5.7 It is probably also true to say that the CSP did not take into account sufficiently the political realities in Bangladesh as obstacles for overall development and the associated need to identify and work with key pro-poor levers of change. Although the CSP makes a number of references to partners and partnerships, there was no strategy or action programme related to the development of such partnerships.
- 5.8 In spite of its shortcomings as an operational strategy, the review of experience does indicate that DFIDB has implemented almost all of the stated intentions in the CSP to some degree. Major changes in the programme have been implemented or initiated as planned, although it took several years to fully staff the office and to reorient programmes in a planned and more focused manner.
- 5.9 Inevitably there is a large portfolio of ongoing programmes at the start of any Country Strategy period and the DFIDB team has taken the view that it was right to complete the orderly implementation of these programmes (and re-orient some of them, e.g. ASIRP, PETRRA and REFPI). The room for new activities more in keeping with the new DFID agenda becomes available only slowly. These are familiar problems with reorienting country programmes, but do make the evaluation of progress over any given three to five year period a somewhat artificial exercise.
- 5.10 Given the weaknesses described above, the CSP has stood the test of time: its broad thrust is as relevant and appropriate today as when it was drafted. One (unfortunate) reason for this is the lack of any significant political economic and social change in Bangladesh. The CSP does not function only as an internal strategy but also as a published document. As such, it has demonstrated its usefulness in communicating to third parties e.g. government officials, other donors and NGO representatives about DFID strategy, approach and ways of working with partners in Bangladesh.

6. Deployment of Resources

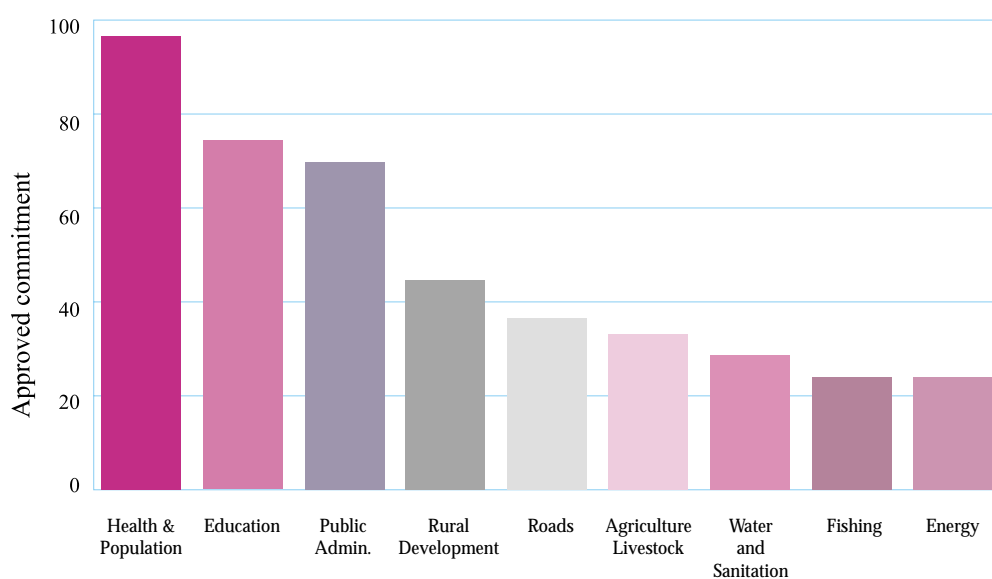
- 6.1 The total volume of aid resources spent during the CSP period (1998/99-2001/02) was £ 205 million²². This was higher than the amount foreseen at the time of publication of the CSP. During the CSP period (November 1998 – June 2002) DFIDB approved 36 projects valued £160,753,000 and central departments approved an additional 24 projects worth £8,428,000. For the period DFIDB completed 52 projects, worth £18,160,000. By mid-2002 the total number of projects supported by DFID in Bangladesh were 75, out of which 57 have a budget of over £1 million.
- 6.2 It is not meaningful to attribute expenditure to the CSP objectives, as most programmes contribute to more than one objective. However, it is not surprising that the majority of programme activities were focused around the key CSP objective 1, which includes both sustainable livelihoods and basic services (key areas for the whole DFID programme). Deficiencies in the policy environment prevented more activity in support of objective 2 (pro poor economic growth). Expenditures against objective 3 (governance) have been increasing and all projects and programme address institutional and governance issues to some degree. DFIDB is only slowly developing a portfolio to explicitly address the “rights agenda” and such activities are unlikely ever to constitute a significant part of programme spending.
- 6.3 The majority of DFIDB’s support towards women’s equality and empowerment is through sectoral programmes (most significantly in education and health; and increasingly in governance). Expenditure for projects with principal gender marker has increased from zero before 1994/95 to £ 10 million in 1996/97 and £ 23 million in 1999/00.
- 6.4 The country programme is more or less equally distributed with the overall budget split evenly between “poverty focused”, “inclusive” and “enabling” projects.
- 6.5 The sectoral breakdown of the current portfolio (July 2002) is shown below:

Humanitarian Assistance:

1998/99: £ 16m
1999/00: £ 0.7m
2000/01: £ 2.8m

(DFID 2001/02)

Approved Commitment by Broad Sector



²² Total DFID programme spend compared to CSP plan in 1998: £ 67 million (45m planned) for 1998/1999, £ 66 million (55 m planned) for 1999/2000, £ 72 million for 2000/2001 (65 planned).

Co-financing in 2002:

- The World Bank:
15 projects worth £ 78.6 million
- EC: £70 million
- ADB: £10 million
- Other partners: NORAD, CIDA, DANIDA, SIDA, the Netherlands.

- 6.6 There is a clear trend towards increased financing of programmes and projects in collaboration with other donors, especially with the World Bank, via joint or pooled funding in consortia. Almost 60% of the total budget is committed in partnership with other donors.
- 6.7 DFIDB's human resources increased significantly after the 1998 Management review to address the CSP. At the time of the review DFIDB comprised of in total 15 UK based staff (Band A and B), plus Head of Office. At June 2002, DFIDB has a total of 42 Band A and B staff, of whom 13 are Bangladesh national staff members²³. During the CSP period, the DFID office has strived to establish new outcome focused ways of working which are changing how the organisation is oriented around strategic issues and integrate all the key development issues into the programme. Certain organisational changes have been made and staffing complements adjusted to facilitate these, to increase administrative capacity and reduce programme management load. These appear likely to produce an improvement of outcomes in terms of both quality and effectiveness although it is too early to be conclusive.
- 6.8 DFIDB now maintains one of the largest and best-resourced offices of any donor in Dhaka. It costs about £5.5 million annually, equivalent to about 7% of programme resources. Although this is at the top end of DFID comparative office costs it is not considered unreasonable given the complexity of the programme and the development challenges in Bangladesh.

²³ Pre 1997, the Sector Managers would have been regarded as project based staff rather than DFIDB office core team.

7. Outcomes, Impact and Commitments

- 7.1 For each objective, the CSP sets out various implied or explicit intermediate outcomes and higher-level impact of the programme together with a number of commitments as to intended areas of work. These provide a disaggregation of the 1998 CSP in terms of outcomes and are detailed in Annex 1. They provide an analytical framework to assess how DFIDB has worked to contribute to poverty reduction in Bangladesh.
- 7.2 Higher-level outcomes and impact refer to achievements against the over-arching objective of poverty reduction. They are the outcomes that poor men and women experience as a result of DFID and other development efforts. Examples include: reduced vulnerability; improved use of education, health, financial and extension services, resulting in more skills, well-being, and productive employment; more access to land, other assets and incomes; a reduction of violence against women, and other rights abuses; greater representation, voice and choice in issues which affect their lives. Many of these higher-level outcomes can only be broadly attributed to DFIDB where projects are “focused” and working directly with poor people.
- 7.3 Intended intermediate outcomes and impact refer to changes in policies and institutions that the CSP envisaged as being necessary, though not necessarily sufficient, to achieve higher-level ambitions. These are often labelled “enabling initiatives”. Examples include: putting in place the institutional features of sector-wide approaches; reforming financial management systems; and building the capacity of partner institutions.
- 7.4 However, there are difficulties with this framework for ordering the range of initiatives in which DFIDB has been involved in the last four years. The “enabling” and “focused” distinction does not quite work. A higher level, direct impact on poor people can be achieved without working directly with people. A successful legal challenge to mass evictions can suddenly ensure security for slum dwellers. A policy decision on drug pricing can transform access to certain medical treatments. Thus in principle, there are some “enabling initiatives” which can have a direct impact on poor people’s lives.
- 7.5 Nearly all the specific commitments in the CSP have been acted upon during the last four years: supporting the overall conclusion that DFIDB has worked very much in line with the intended strategy. There are two exceptions: i) supporting development in the Chittagong Hill Tracts (CHTs) after the 1997 Peace Accord; and ii) improving municipal services and addressing urban poverty more systematically. In both areas conscious decisions were taken not to prioritise work in these areas. The first was due largely to political conditions. The region remains turbulent, with slow progress on Peace Accord commitments and competing national and local interest groups hamper prospects for sustainable development. There was also substantial support available from other donors e.g. ADB and EC. The second exception was due to the poor policy environment combined with DFID’s limited capacity to take on a new and large sector.
- 7.6 The impact on intermediate outcomes is evident when assessing DFIDB’s work with public services, particularly in health and education. Programmes in these sectors aim to improve access to quality services for the poor, and especially women. Within the health sector, DFID has focused on improving institutional arrangements for the SWAp (HPSP). A Midterm Review in 2001 concluded, “DFID’s support is making a significant contribution to the progress of HPSP”. Within primary education, DFIDB has aimed at enhancing management and effectiveness of staff and schools (the ESTEEM project); and promoting a more co-ordinated donor approach within the multi-donor, multi-

CSP Objective 1: "Delivery of basic services to the poor in order to improve livelihood opportunities";

- DFIDB gives substantial support to basic education and health services.
- DFIDB has been a prominent partner in the health SWAP.
- DFIDB significant donor in the field of micro-finance.
- DFIDB supports demanded pro-poor fisheries extensions. (DFIDB's Influencing Study 2002)

CSP Objective 2: "Sustainable, broad-based pro-poor growth";

- Unsuccessful, so far, collaboration with GoB and WB on privatisation of SOEs.
- RIBEC: strong ownership, flexibility, opportunism and incrementalism have contributed to success.
- DFID support to Roads and Highways Department (IDC3) has done major strides in influencing approach and systems. (The Influencing Study 2002)

component Primary Education Development Programme (e.g. through the LCG sub-group). Such intermediate outcomes are necessary, but not sufficient, to improve quality services for the poor *and* impact on their well being. Recent mid-term reviews of ESTEEM and HPSP provide evidence of progress. They also demonstrate that making a higher-level impact will take time and need additional interventions.

7.7 In some specific areas, DFID assistance has achieved a higher-level impact. These are primarily focused initiatives, directly benefiting poor people. They are found in most, though not all, of DFIDB's sectors²⁴. Providing better education for the extreme poor, particularly working children has been a key achievement (e.g. the Hard to Reach and UCEP programmes). They have benefited hundreds of thousands of poor children and adolescents, particularly women and girls. A range of natural resource based projects with government and NGOs are increasing agricultural and fisheries production, increasing incomes, improving food security and reducing vulnerability for more than a million poor households. Efficient disaster management reduced the negative impacts of the 1998 floods This was because of effective government and NGO responses. DFID and other donors can claim some credit for providing resources, and urging better targeting of assistance. DFIDB's ability to respond quickly was particularly acknowledged as important by GoB, other donors and the NGO community. Millions of poor people benefited. One of the key areas of programme impact has been in microfinance, where DFID assistance to NGOs has reached more than 65% of the total 15 million rural poor households accessing loans and other financial services. Many independent studies have attested to the positive impact of pro-poor financial services on livelihoods.

7.8 However, a striking conclusion is that there are few DFIDB projects with government that are making a higher-level impact for poor people, as defined above. Health and education initiatives are closer to achieving such impacts than, for example, financial management reforms or institutional capacity building in the transport sector. In some respects this is not surprising. Government capacity is weak and its outreach is much more limited than often assumed. Poor people themselves rarely deal directly with government agencies in their everyday lives, though education and health services are the most frequent contacts. Marginal increases in the outreach, efficiency and integrity of public services, creating small benefits for many people, need to be considered against specific, targeted projects with greater impact on fewer.

7.9 Thus, DFIDB faces a dilemma; it can achieve a more direct impact on poor people in the short term (possibly upto 2015) by working outside government, but for the long term only sustained improvement in delivery of public services will reach the majority of the population. A balance needs to be struck between the short and long-term goals.

7.10 The external study "Supporting the Drivers of Pro-Poor Change" and Sue Unsworth's recent work in Bangladesh (DFID note from January 2002) has made DFIDB management and advisers increasingly aware of the need to support fundamental change in the political and social systems in Bangladesh to achieve long term development. Although this is implicit in the CSP, most of DFIDB's activities are still planned under a relatively short-term (3-5 year) horizon. This suggest that there is an increasing dichotomy between our understanding and operational modalities. This is complicated further by the fact that DFID works more and more in partnership with others, including other donors. It is therefore constrained by other agencies' planning and budget timeframes.

**CSP Objectives 3, 4, 5 on:
"Better governance,
realisation of human rights
and improvements in the
position of women";**

- Human Rights and Governance fund (HUGO) has potential for increasing civil society's demand for improvements in GoB's accountability and responsiveness to the poor.
- DFID has substantially increased its support to social mobilisation, not least women, through support to Samata and Nijera Kori. (DFID's Influencing Study 2002)

²⁴ The conclusions and estimates in this paragraph are drawn from project evaluations, the DFIDB Programme Poverty Review (June 2000), and the internal "DFIDB Outcome Analysis" from early 2002.

- 7.11 At the end of the CSP period, in spite of substantial consolidation of activities and rationalisation of the portfolio, the DFID programme is still characterised by a wide sectoral spread with a relatively large number of individual activities. There are reasons for this.
- 7.12 The CSP objectives were broad ranging and not sectoral. Achieving sustained improvements in basic services and opportunities for poor people in the absence of effective government programmes means searching out opportunities wherever they can be found, often through practical support for decentralisation of services (as with for example ASIRP and UNICEF). With the exception of the health sector, the conditions have not existed to move in the direction of large scale sectoral or budget support. Non-government partners, even the largest NGO's have limited absorptive capacity.
- 7.13 Bringing about better "Governance and Institutional" performance requires intensive technical assistance inputs, rather than large amounts of financial aid and a degree of opportunism. Strategic partnerships with parts of Government supported through technical assistance are important but scaling technical assistance up across Government leads to a lack of ownership and unsustainable change.
- 7.14 DFIDB has found that operating across a wide range of sectors and institutions has enabled the office to be more aware of the extent of the development challenges and to make links between government departments and other agencies, with which it would otherwise have little direct contact e.g. on rural development and arsenic.
- 7.15 While DFID central management has continued to emphasise the need to focus effort and maximise impact through prioritisation and reducing the number of small project and sectoral spread, most of the analytical work prepared as part of this review comes to the opposite conclusion. Bringing about pro poor change through supporting champions for change in Government and outside can rarely be done at scale and requires a flexible response mechanism which DFID systems are better able to support than those of many other donors.

8. Achievements by Objectives, Sectors and Themes

- 8.1 The CSP objectives are phrased in a thematic manner, in very broad terms, and some cut-across each other. For example, the objective of improving governance is relevant to providing better services, which directly contribute to livelihoods. Gender equity and rights are similar. Conversely, sectoral initiatives directly improving livelihoods also seek to impact on people's rights and broader gender equity. Education initiatives are an example. Thus it is very difficult to "map" DFIDB's activities and impact against these inter-related themes. In practice, most initiatives contribute in some way to at least three, and often more of the CSP objectives. A matrix overview of sector-contributions to each CSP objective is in Annex 1.
- 8.2 In the following sections, achievements are recorded together by sector and themes; including those where a particular DFIDB intervention has led to a discernible result, and those where learning has contributed to a change in approach by DFIDB to try to tackle problems more effectively.
- 8.3 **Health and Population:** People's health in Bangladesh has improved significantly over the last two decades. If the current trends persist, the MDG for child mortality will be reached in 2008, and infant mortality in 2010. Malnutrition is falling²⁵. Aid to the government and NGOs has made a major contribution to these trends. Other dimensions of poverty remain a huge determinant of well being, and the private sector is the biggest provider of health services. However, the public sector focus on essential services has reduced some of the big killer health problems, including diarrhoeal diseases.
- 8.3.1 DFID has contributed to this focus on essential services, working within a large donor consortium on a sector wide approach. This has promoted substantial institutional change during the last five years and DFID has been identified as providing substantial inputs to the change²⁶. The sector-wide programme (HPSP) replaced over 120 separate projects that were operating in health by the late 1990s. The SWAp has facilitated better planning, enabled an overview of resources, and the adoption of common management arrangements. Transaction costs for government, and arguably opportunities for patronage, have been reduced. DFID's influence in this process must be considered plausible although we are only one of several donors.
- 8.3.2 DFID influenced the evolution towards sectoral working substantially. DFID's direct contributions included: redesigning the planning process, improving joint monitoring approaches, improving the understanding of sectoral financing and management systems; and not least in promoting development partner coordination and coherence. DFID also made contributions to the development of the Ministry's gender-equity and maternal health strategies, and the evolving poverty and stakeholder strategies²⁷. DFID worked closely with others on these issues. Attributing DFID-specific impact is problematic apart from highlighting the strong plausible association we have had with all of those processes.

Fertility rates have halved over the last three decades: from 6.3 to 3.4 births per woman. This has reduced the rate of population growth: from 3% to 1.6% per year. The decline is thought to be due to improving economic prospects, education, and women's awareness. Whatever the causality, it is a proxy indicator of better health for women.

²⁵ Over the last five years, "stunting" among under-five years olds has fallen from 55% to 44%, and "wasting" from 18% to 10%.

²⁶ HPSP Midterm Reviews 2000 and 2001.

²⁷ The shift to sector-wide working has enabled the use of better national systems for community voice, notably via periodic Service Delivery Surveys, and a nascent Stakeholder Participation Strategy.

8.3.3 Some components of the SWAp received targeted DFID technical assistance, which has been instrumental in bringing about change²⁸. A key example is the Health Economics Unit, now merged into the Ministry of Health. This has provided high quality technical analysis. Path-breaking Public Expenditure Reviews and Benefit Incidence Analysis are now informing government (and donors) of pro-poor strategies. Equity continues to be a significant issue, including gender and regional biases. Exposure and better evidence is providing a basis for further reforms in health.

8.3.4 Progress has been disappointing on some issues. For example, the SWAp was over-ambitious in promoting people's participation. Community "voice" was present to a limited degree in design consultations, but has not been mainstreamed through stakeholder committees in the way intended. There is more understanding of endemic informal user charges that inhibit poor people from getting appropriate and timely services, and which undermine the essential services package. There is less success than intended in reducing such barriers to access. These areas of slow progress should not detract from the importance of the institutional reforms started by the SWAp.

8.3.5 DFID's contribution to health outcomes is not confined to the SWAp. A range of NGO projects have been supported, most though not all inherited from before the CSP. NGOs are piloting crucial work in the health sector, including new models of health delivery (BRAC RHDC), outreach to the extreme poor (BPHC), and establishing preventive rights-based approaches to HIV/AIDs (CARE's SHAKTI and RASTTA). DFIDB draws on this wider network of initiatives to learn lessons, influence the SWAp, as well as promote better health for the poor people directly reached by such initiatives.

8.3.6 Other DFIDB work at the national level links to global initiatives. DFID supports the government's work within the WHO-led global campaign to eradicate polio. Bangladeshi knowledge and experiences were used to provide feedback to the Global Alliance on Vaccines and Immunisation, with the outcome that systems with improved responsiveness to the needs of the poor have been adapted.

8.4. **Education:** Increasing enrolments in the last decade suggest that achieving the MDG of universal primary education in 2015 is feasible. The country has achieved near parity in enrolment of girls and boys. However, poor attendance and high dropout persist. These features undermine the sustainability and impact of higher enrolments, and point to major problems with the quality of public education. Literacy achievements in the 15+ age groups have improved, but the government has overstated its success in official statistics²⁹.

8.4.1 After the 1998 CSP, the emphasis of DFIDB's education programme changed, in terms of partnership and spend. The key strategic intervention is the "Effective Schools Through Enhanced Education Management" project (ESTEEM, 1998-2003). This is a central component of a multi-donor assisted government "Primary Education Development Programme", with a total budget of 1.3 billion USD. The goal of ESTEEM is to enable all primary school-age children to get quality education within an environment sufficient to encourage them to attend regularly, and to complete the five-year curriculum. The overall primary education programme is fragmented and "projectised". Weak coordination between the various donors and projects persists. DFIDB has worked hard to promote a more coherent successor programme; drawing lessons from the HPSP experience and

DFID Support to Health Sector Programme (1998-2003)

Consists of £ 25m time slice pooled financing and 30m technical assistance for:

- Medical assistance
- Nursing
- Public private partnerships
- Hospital Management
- Organisation & Management Development
- Human Resource Planning & Development
- Health Economics
- NGO Partnerships

Official Primary Education Indicators (2001):

Gross enrolment:	97%
Drop out rate:	35%
Adult literacy (15+):	64%

(48% women and 63% men are literate, UN 1998)

(Civil society groups and independent studies show these figures are massive overestimates of achievement - a result of successively grander claims by officials and politicians.)

²⁸ See Mid-Term Review of DFID's Inputs to HPSP, May 2001.

²⁹ See "Hope not complacency", an independent Education Watch Report (1999), sponsored by the Campaign for Popular Education.

Support to working children:

- UCEP: 107,000 children benefited.
- HTR: 339,000 children received education

Support to poor and disadvantaged:

- BRAC: 1.5 million children benefited.
- FIVDB: over 9,000 children reached.

Domestic food-grain production:

- 1974: 11.81 million metric tons
- 2000: 22.4 million metric tons.

Private sector extensions

service have been improved by projects working with petty fry traders and inputs suppliers (NFEP and LIFT). This has increased productivity for small producers in the poor Northwest region of Bangladesh.

DFID supported education SWAp in other countries. However, consensus about such an approach is only slowly growing amongst donors, and government has been resistant.

8.4.2 DFID's education programme includes support to a range of NGOs, for adult literacy, non-formal basic education, hard to reach and working children. Evaluations show that NGOs continue to develop innovative and flexible approaches that reach poor and marginalized populations. A DFIDB internal review of case study projects found that the education portfolio has done most to reach the extreme poor³⁰. How some of the NGO programmes can strengthen the national system is less clear. Some smaller interventions supported in part by DFIDB, such as the civil society coalition CAMPE, have led to changes in the national policies as a result of evidence based lobbying. There is therefore a plausible association between DFID support and institutional and policy changes in Bangladesh.

8.4.3 Reviews of these projects and ESTEEM³¹ show satisfactory progress against intended outputs and purpose. Progress against quantitative targets is clear, though often slower than desired. Qualitative achievements and attributable improvements in the livelihoods of poor people are less easy to verify. The education portfolio is a good illustration of the need to work at different levels, with different partners, in a difficult environment. It is also a reminder that the HPSP SWAp is the exception, not the norm, given donors' differing approaches to aid in Bangladesh.

8.5. **Agriculture, Natural Resources and Rural Livelihoods:** Bangladesh is now a food surplus country, an impressive achievement for a country that has faced several famines in living memory. Agricultural growth rates increased from 1.9% in the early nineties to almost 6% in 2000. Total fish production in Bangladesh has increased from 1.37 tonnes in 1996 to 1.7 million tonnes in 2000. Such production increases have had an impact at the household level by raising incomes, improving food security, and health and nutrition, particularly for the moderate poor and those vulnerable to poverty.

8.5.1 During the last ten years, there has been a significant diversification in the rural economy. Trade, services and off-farm processing and manufacturing have risen in importance. However, agriculture and fisheries remain critical to the livelihoods of many of the poor, both for self and wage employment.

8.5.2 DFIDB support to the agricultural (including fisheries) extension (DAE) and research, alongside the World Bank and others, has contributed to production increases. The refocusing of these more production focused projects to address more strategic institutional, governance and sectoral priorities is now starting to have an impact. However, DAE only serves approximately 7% of farming households, and the private sector remains the main source of extension advice. Improved impacts have also been achieved by DFIDB supported NGOs, notably CARE. Such projects have played an important role in introducing new technologies (e.g. seeds and fertilisers), new extension methodologies (e.g. farmer field schools) and new management systems (e.g. rice-fish inter-cropping, integrated pest management). Many of these projects have addressed women's practical needs, for example through diversification of homestead gardening and usage of environmentally sustainable chemicals.

³⁰ DFIDB Programme Poverty Review, June 2000. Included BRAC NFPE 3, BEHTRUC 3, UCEP 3 and REFLECT NGO education projects.

³¹ ESTEEM Mid-Term Review, March 2002.

- 8.5.3 Transfers between DFIDB's NGO and Government agricultural extension projects have led to new, more environmentally sustainable, methodologies being integrated into public service delivery systems. Examples are the inclusion of Integrated Pest Management and Farmer Field Schools into the New Agricultural Extension Policy in the late 1990s. Another example of policy development is the new GoB guidelines on the use of pesticides in agriculture. DFID has attempted a similar approach in the fisheries sector, learning from smaller projects to influence Fisheries Department practices. An example is community based fisheries management. However, government remains driven by production targets, rather than livelihood outcomes for the poor, particularly in the fisheries sector.
- 8.5.4 The natural resources sector is an example of large pre-CSP commitments. DFID has been one of the largest donors in the fisheries and agriculture sector for many years. This reflected past success in promoting agricultural production (e.g. the 1980s deep-tube-well irrigation programmes). DFIDB took the view that withdrawal from such projects should be done so as to ensure sustainability and hence managing the large portfolio of projects in the late 1990s continued to require major staff inputs, increased by the greater priority also given to the higher level influencing objectives for the sector. Shifting the focus from resources and production, to people and their livelihoods, has therefore been gradual. Such projects remain a contribution to people's livelihoods, though mainly for those who already have access to natural resources.
- 8.5.5 The new Rural Livelihoods Strategy developed by 2001 has identified other projects. These should include a greater focus on the extreme poor, addressing vulnerability, promoting access to resources and markets, and addressing institutional constraints, including those of local government. There is also a need for more analysis to understand key poverty and environment linkages. New initiatives to put this revised approach into practice are being finalised (e.g. the Coastal Development and "Char Livelihoods" programmes).
- 8.6. **Microfinance and enterprise development:** Since the 1980's a striking development success in Bangladesh has been the microfinance movement's sharp growth. As of 2002 there are over 15 million microfinance clients, using both credit and savings services. A 1998 survey estimated that 45% of eligible poor rural households participated in credit programmes,³² by 2002 that estimate has risen to around 65%³³. A handful of large institutions dominate the sector (comprising 89% of clients), though there are thousands of smaller NGOs active in the sector.
- 8.6.1 DFID has supported two of the largest NGOs (BRAC and Proshika) as part of consortia before the CSP formulation. DFID has also been active in supporting innovative institutions, such as BURO Tangail, that has concentrated on providing sustainable and innovative financial services for the poor. Another programme, INCOME III, targets innovation amongst flexible small and medium scale NGOs. Since the 1998 CSP, DFIDB has agreed further support to BRAC, Proshika, and CARE (for INCOME III). The four programmes collectively work with more than seven million clients (BRAC alone has more than four million), the bulk of whom are women. This means that DFID-assisted institutions are working with over 25% of poor households in the country.

³² World Bank, "Fighting Poverty with Micro-Credit: Experience in Bangladesh", 1998.

³³ Ahmed, Z. Ani, C. and Ferrand, D., "Financial Deepening Challenge Fund Scoping Stud", DFID/SDC, 2002.

Microfinance for poor women provides access to economic opportunities. It enables many women to increase control of their lives, and improve their relative positions in their households. The majority of women involved in microfinance maintain a significant measure of control over their assets and income. (Hashemi 2001)

- 8.6.2 The overall success of microfinance is well documented. Evidence demonstrates the positive impact on households' well being. Recent studies of BRAC and Proshika members concluded that average incomes were more than 20% higher than comparison households, without access to such services. Asset accumulation is also significant. Financial services reduce income fluctuations, helping people to reduce their vulnerability and thereby cope with shocks. Finally, the gradual expansion of women's borrower groups across the country has started to change women's position in society. They are more visible, they are participating in market activities more than before, and their contribution to the household cash economy is even greater. Microfinance services are an area where DFID can point to large-scale economic and social impacts, directly benefiting the poor. DFID also chairs the donor LCG on microfinance, and is widely acknowledged as one of the most knowledgeable donors in this field. This expertise has been very influential with the large NGOs in Bangladesh.
- 8.6.3 However, microfinance has had a number of limitations in reaching the extreme poor. Part of this is due to the domination of the micro finance industry in Bangladesh by one model that excludes the poorest, and lack of flexible financial services for the extreme poor; and part due to the risk aversion by the extreme poor of taking on credit. Providing the extreme poor with access to a range of more accessible and appropriate financial services is vital. There is also a role of asset transfers and social support for the ultra poor. Again we conclude that DFIDB's impact has predominately been on the moderate poor, and those vulnerable to poverty, and rather less on the extreme poor.
- 8.6.4 As a response in late 2000 DFID joined other donors in supporting BRAC's "Challenging the frontiers of poverty reduction" programme. This targets the extreme poor more directly. It expands and modifies BRAC's past "vulnerable group development programmes", using skills training, access to flexible financial services, food and asset transfers, social protection and mobilisation, as a way of addressing the needs of the extreme poor. DFIDB have also been preparing a project on the Charlands, which is home to some of the most vulnerable and poor people.
- 8.6.5 The 1998 CSP committed DFIDB to continue support for microfinance innovation and increase in outreach, but also to investigate the potential for other enterprise development. The BEMAP project, that links small producers with export markets, was one small-scale response formulated during the CSP period. A number of reviews³⁴ highlighted the lack of resources targeting growth small and medium enterprises (SMEs), essential to generate higher levels of pro-poor growth in Bangladesh. DFIDB, after gearing up in terms of staff resources by 2001, has developed several new programmes targeting this sector and plans to formulate a more integrated approach to private sector development. DFIDB now aims to place more emphasis on working with the private sector as a partner and a positive agent for change in Bangladesh³⁵.
- 8.7 **Disaster Management and Humanitarian Assistance:** DFID's disaster activities can be divided into crisis response and management preparedness. During the last few years, DFID has responded to one major national disaster (1998 floods, £21 million) and one minor regional disaster (the 2000 South-West floods, £5.7 million). These disasters affected approximately 30 million and 2.7 million people respectively. In both cases DFID

³⁴ See for example, Tomeson, & Tomecko, J., "Business Development Services in Bangladesh", DFID, April 2001.

³⁵ A Duncan et al, "Supporting the Drivers of Pro-Poor Change in Bangladesh", DFIDB 2002.

funded a wide range of relief and rehabilitation projects, including food aid, other relief distribution, cash for work, infrastructure reconstruction and agricultural rehabilitation, through various partners. An evaluation the World Food Programme (WFP) Emergency Operations to which DFID contributed was broadly positive. Most food aid reached the target populations. It prevented starvation. However, there were problems with government distribution systems, not least targeting, and differentiating between the needs of men and women. DFIDB has also participated in discussions around Disaster Management and how to build up national structures to better prepare and predict disasters as well as manage. DFIDB has recently been supporting the preparations of a Disaster Management Strategy for Bangladesh. Another long-term key issue is the threat of climate change for Bangladesh. DFIDB is participating in various discussions on the potential implications of climate change and several initiatives are being formulated.

8.8 Infrastructure development: DFIDB's "Bangladesh Infrastructure Scoping Study" (BISS, 2001) highlighted the low level of infrastructure across a number of key sectors, even by comparison to other countries in the region, which itself compares unfavourably to other areas of the world. Access to electricity is currently 18% with consumption per capita one fifth that of India. The WB CAS 2000 estimates that power shortages result in lost industrial production of \$1 bn, while the two main power utilities (BPDB and DESA) post annual losses of over \$100 m. The road and railway networks are relatively extensive, but maintenance remains an area of under-funding for roads and the railways are not run on a commercial basis and fail to provide an acceptable level of service. Chittagong and Mongla Ports are inefficiently managed and it is estimated that this costs the economy over \$1 billion (£700 m) per year.

8.8.1 Reforms within the various infrastructure sectors are being introduced but at a very slow pace and with varying degrees of success. Failure of the GOB to implement the reforms that it committed itself to as set out in the "Power Sector Reforms in Bangladesh" paper of 1994 led to donors withdrawing from the sector in the mid-nineties. ADB took the view in 1996 that sufficient progress had been made to re-enter the sector, although other donors have not followed. The exception to this picture is the Rural Electrification Board (REB) that is perceived as being relatively efficient and demand responsive and as a result receives support from a large number of donors. The gas sector is characterised by an unwillingness to commercialise its operations, reluctance to adopt any policy towards exporting gas, high levels of subsidy and financial weakness, despite gas being the main natural resource of the country. There is also the political economy aspect of reluctance to pipe gas through India. ADB is working with the Ministry of Communications on the reform of Bangladesh Railways, but with limited success.

8.8.2 Road Transportation - The roads sector by contrast has proved relatively open to embracing reforms and as a result receives support from both the multi-laterals and a few bilateral donors, including DFID. Considerable progress has been made in road transportation during the last ten years. The construction of major bridges, regional and national highways and other road networks has reduced rural isolation. Evaluations in the mid 1990s show rural roads being a precursor to many other benefits, including electricity supply and social services. People are now closer to markets. Mobility has increased. Farmers can get more goods to the cities, more quickly. More seasonal migration has enabled labourers in poorer regions to get employment in areas of agricultural intensification. Poor people participate in more markets of all types.

Infrastructure needs and costs:

Only 18% of the population has access to electricity. Deferred road maintenance amounts to 1% of the GDP. Inefficiency in Chittagong Port costs \$1 billion per year. Fixed line telephone density is only 14%. An estimated 25 million people are exposed to arsenic contaminated drinking water.

(DFIDB Bangladesh Infrastructure Scoping Study 2001)

Reducing rural isolation by improving local and national transportation and communications: Over 70% of the rural population now has access to a local market, veterinary doctor, bank facilities, post office and fertiliser seller within a radius of five miles.

Distribution losses for the two main power utilities BPDB and DESA are estimated at over 30%, whilst collection to billing ratios are less than 80%. By contrast the REB has estimated distribution losses of 16% and collection to billing ratios of over 95%. REB's share of the distribution market is rapidly increasing, rising from 14% in 1998 to 24% in 2000.

- 8.8.3 Since 1998, DFIDB's infrastructure priorities have been in the transportation sector: roads and bridges. DFID initiatives in the transport sector have included the funding of physical structures such as the Bhairab Bridge (£80m of which DFID funded £22m) on the Dhaka to Sylhet road. It is expected to have considerable impact, based on comparable large bridges in Bangladesh. DFIDB is also funding the replacement of 35 narrow bridges, where bottlenecks cause delays and accidents, on main roads in the west of the country.
- 8.8.4 A second category of DFID support is institutional capacity building, principally through the IDC 3 Project. IDC 3, working in close collaboration with both the World Bank and the ADB, has assisted the Roads and Highways Department (RHD) to plan and manage its activities more efficiently and has provided the tools with which the department is able to prioritise road maintenance. RHD now focuses on maintaining the assets of the department that have been built up over the years, estimated to total £5.5 bn. However shortfalls in its revenue budget for road maintenance over the years has led to an estimated backlog of essential maintenance work of £300 m. IDC 3 prepared a restructuring plan for the RHD, following a series of 50 stakeholder workshops over a one-year period that was approved by the Ministry of Communications in early 2001, but still awaits endorsement by the Ministry of Establishment. Planning capabilities have been enhanced, training in Dhaka and in the zones has been improved and procurement procedures are being modernised.
- 8.8.5 *Power* - The CSP recorded that DFID had pulled out of most power sector programmes in the mid 1990's because of reform failures and corruption but mentioned the Rural Electrification Board as a potential partner. DFIDB has discussed the possibility of co-financing the ADB's West Zone Power System Development Project, although this initiative is currently stalled due to failure of the GOB to meet the reform criteria for project commencement. Financing of the work of the REB is also being considered in parallel to programmes being implemented by the World Bank, ADB, USAID and the Netherlands.
- 8.8.6 A BIDS study concluded that extreme poverty in electrified villages is half that of those without electricity (although causal linkage was not established). Similarly Development Design Consultants found that incomes in electrified households were 50% higher than in non-electrified household and that perceived benefits of rural electrification include positive impacts on education and available information through better lighting; improved opportunities for women; reduced isolation; and better health care. It was also observed that migrants to urban areas frequently returned to their villages after electrification, mainly because of improved employment opportunities and living standards.
- 8.8.7 DFID has since 2000 provided support to the "Infrastructure Investment Facility Centre" (IIFC). IIFC has the objective of promoting and facilitating private sector participation in infrastructure sectors in Bangladesh. This is done through various policy, project development and capacity building work for line ministries and GoB agencies in infrastructure sectors. However, as the success of IIFC is dependent on the political will to reform the infrastructure sectors, nothing has happened in terms of transactions or transformational changes.

8.9 Water and Sanitation: DFID's work in water and sanitation is aimed at supporting the government's 1998 national policy for safe drinking water supply. The main component of the programme is the DPHE/UNICEF Rural Hygiene Sanitation and Water Supply Project, focusing on the need to bring about changes in hygiene practices in order to reduce the incidence of diarrhoea, which remains one of the main causes of infant mortality and morbidity more generally. This has taken much longer than anticipated to initiate and is only now in its early stages.

8.9.1 The most important constraint is an awareness of the need for and the benefits of hygiene behaviour change, which needs to take place on a community-wide basis for a significant health impact. DFID funded the Sanitation and Family Education Resource (SAFER) project, with CARE, during the period 1996-2001. The final evaluation found a 130% average increase in use of hygienic latrines and there was an average 70% decrease in childhood diarrhoea prevalence amongst the 13,000 rural households covered³⁶. DFID is also supporting WaterAid project working with smaller, often grassroots NGOs, in rural and urban areas. An independent evaluation in 2001 showed a 65% usage of hygienic latrines in the project area compared with 50% in non-participating areas. This project is now being scaled up.

8.9.2 Groundwater arsenic contamination has emerged as the biggest challenge to safe water. In 1993 it was found that around 30% of the ten million hand tube-wells in Bangladesh might be affected by arsenic. DFID has funded two research interventions to address knowledge gaps, informing the work of other agencies, both government and NGOs. Lack of clear Government leadership has impeded an effective response to the problem although DFID has offered institutional support to the Government's nascent National Arsenic Mitigation Programme.

8.10 Good Governance -- Public Administration: DFID has engaged with the Ministries of Finance and Planning for some years. After the 1998 CSP this engagement has become stronger. A "family" of projects has emerged.

8.10.1 Shortly after the 1998 CSP was approved, a new phase of the Reforms in Budget and Expenditure Control (RIBEC) project started with the Ministry of Finance (MoF). The Government and other donors regard this project as a success, because of achievements against objectives, and the approach taken. Government counterparts in key project positions "owned" the process. RIBEC computerised budgeting and improved accounting systems. It established Financial Management Units in seven ministries. It enables the monitoring of public finances much more effectively than before.

Bangladeshi children dying each year from diarrhoeal disease (Under five years old):

- 300,000 in 1980
- 260,000 in 1990
- 110,000 in 1999

Analysis of the arsenic problem by DFID has focused on:

- the extent of contamination; and
- appropriate household level "arsenic removal" technologies.

³⁶ The programme had a cost of an average £60 per household over the five-year period.

RIBEC Family: Overall achievements;

- Establishment of sound financial management training centre.
- Better budget/accounts within Government but limited usage.
- Financial Management Units beginning to facilitate intra-sectoral resource allocation.
- Improved informal cross-cadre linkages
- Hierarchical and donor accountability incrementally improved
- Better audit increases threat of discovery and action
- Better reporting to donors.

(RIBEC Evaluation 2001)

- 8.10.2** The strengthening of Financial Management Units (FMUs) in other ministries was a key achievement. Several sub-projects with these units evolved out of RIBEC as a result. Examples include the FMU in the Health Ministry, which helped satisfy the financial accountability requirements of pooled funding. It made the HPSP possible. Similar units in Education and Agriculture support other DFID initiatives (and those of other donors). Thus RIBEC has been a crucial umbrella for enabling projects across Government to operate more effectively and transparently. Overall, RIBEC has given DFID an important entry point not just to fiscal reforms, but also other parts of government.
- 8.10.3** RIBEC has been criticised for being too incremental. However, the Government turned down a World Bank proposal for more fundamental fiscal reforms in 1999. They were seen as unrealistic and threatening. In contrast the RIBEC approach has developed excellent relations, which have helped DFID gain a unique position among bilateral donors in accessing and understanding of the Ministry of Finance. This has been recognised by the World Bank and IMF, particularly in recent negotiations on developing a PRSP. Addressing the fiduciary risks necessary for direct budget financing will require further reforms in the areas in which RIBEC works.
- 8.10.4** DFID is now seeking to build on the success of the last few years. A more ambitious Financial Management Reform Programme (FMRP) has been agreed with the Government, co-funded by DFID and the Dutch. This begins to address a more policy focused, rather than fiducial agenda. As well as further improving systems, the project will promote better analysis for policy making. For example, public expenditure reviews, performance monitoring, and equity analysis are all potential developments under the new programme.
- 8.10.5** The “RIBEC family” of projects includes work with the Financial Management Academy (FIMA). As a result of DFID funded technical assistance, this has a high reputation for quality training. Many staff, from different ministries, have been trained. These networks provide useful resources and contacts for other DFID work. Another project is the Strengthening of Institutional Systems for Planning. SISP aims to reconcile budgeting for the Annual Development Programme (managed by the Planning Ministry) with that of the Revenue budget (managed by the MoF, in which RIBEC “sits”). In recent months it has provided an entry point for discussions about more systematic poverty monitoring across government. Finally, a partnership with the National Board of Revenue in the MoF has been recently agreed. This project will focus on strengthening the administration of and links between Value Added Tax and Income tax both key sources of government finance.
- 8.10.6** Civil service reform has not been a fruitful area for donor engagement inspite of chronic difficulties in the existing bureaucratic system and widespread acknowledgement of the weaknesses of the existing human resources management in the public sector. DFIDB approved a training programme for senior civil servants ‘Managing at the Top (MATT)’ in the hope that this would provide an entrée into wider civil service reform. Although there is still no top level drive for reform, the partial success of MATT in creating a group of well educated senior civil servants with experience to new techniques of civil service management has recently allowed DFIDB to start discussion with the Establishments Department about starting a change management process on an incremental basis.

8.11 Governance, rights and civil society: Support for advocacy on human rights, and an explicit recognition of the central place occupied in the programme, was new for DFIDB in 1998. The CSP noted the legal rights and safeguards against abuses as important contributions to poor people's security. Abuses of child rights were highlighted, as was the need to investigate how land rights for the poor could be improved. This area of rights based work has been a major change in DFID's work. It is too early to claim impacts.

8.11.1 Work in the field of law and justice has helped DFIDB to address the civil and political rights agenda. A scoping study on access to justice, safety and security was prepared for DFIDB in mid-1999.³⁷ A pilot Public Access to Justice project, based on the recommendations in the study relating to work with the police, was designed in collaboration with the Home Affairs Ministry and the Bangladesh Police Service. Although implementation has been delayed because of government nervousness about policing reforms and donor support in the Ministry of Home Affairs, useful links have been strengthened, and DFIDB has been able to discuss issues of legal process reform with senior officials. It has also been possible to develop links to the Ministry of Law, Justice and Parliamentary Affairs through discussion of reforms in the criminal justice system. The government and donors alike have appreciated DFIDB's support for what is acknowledged as being a uniquely sensitive area.

8.11.2 Initiatives which have just been approved or are under appraisal at the time of writing include a legal assistance organisation (BLAST) and Transparency International Bangladesh (TIB). DFID supported the advocacy network Coalition for Urban Poor in the aftermath of massive slum evictions in mid 1999. Such organisations promote rights by putting pressure on the government to fulfil the law, and be more accountable.

8.11.3 Economic and social rights addressed through other dimensions of DFIDB's work. These include mainstreaming rights issues in other programmes (including the major health and education projects). A very significant shift in DFID's approach to the "NGO sector" occurred in 2002 as a result of a study commissioned by DFID of the big NGOs. This was commissioned because of concern that the scaling up of service provision by NGOs might reduce the pressure for more systematic public sector change and of the dominance of micro finance in NGO activities.

8.11.4 The review undertook a typology of NGOs; those which were primarily focussed on service delivery, those that concentrated on social mobilisation and those whose functions were advocacy and empowerment. The review allayed the fears that NGOs were becoming a 'parallel state' but also argued for more support to organisations that are the voices *of* (rather than *for*) the poor.

8.11.5 This meant DFIDB engaging with NGOs to encourage more rights based approaches, which aim at improving governance at local and national levels. This emphasis resulted in support to ADAB (e.g. for inter-NGO members' groups) and the 2001 BRAC CFPR project (e.g. which stresses advocacy objectives). The review also resulted by late 2001 in support to two social mobilisation organisations with strong representation by the extreme poor in local and national advocacy activities (Samata and Nijera Kori). Support to such organisations required adapting "appraisal" and "partnership" arrangements to fit with the culture of radical rights based organisations based on member-democracy.

Human Rights:

Law enforcement agencies appear to resort to torture and ill treatment for a number of reasons. They do so as a matter of routine during investigation and collection of evidence; as a punitive measure against anti-government demonstrators or journalists; for purposes of extortion; to serve political ends or to intimidate those seeking accountability.

Source; Human Rights in Bangladesh 2000 (ASK)

Human Rights and Governance Programme (HUGO):

The programme operates as a fund, soliciting applications from a wide range of civil society organisations, which give priority to social mobilisation, rights and advocacy work. These include grassroots membership groups, NGOs, NGO apex organisations, professional bodies, trade unions, rights groups, lobbying and policy research bodies and private sector.

³⁷ Sheelagh Stewart, Annabel Gerry, Kim Stanford-Smith: "Bangladesh Safety, Security and Accessible Justice Sector Strategy", Mission Report. July 1999. DFIDB.

Key findings of Big NGOs review:

- 10 NGOs receive 85% of foreign assistance.
- 20% of population directly benefit from NGO activity
- There has been an 11 fold income in big NGO budgets over last decade.

NGOs can be classified into:

- Alternative financial institutions
- Service providers
- Social development organisations
- Social mobilisation organisations

The Position of Women:

The Constitution of Bangladesh ensures rights to all citizens and prohibits discrimination and inequality on the basis of sex and strives to promote social and economic equality. However, in reality women enjoy fewer rights than men and a gender gap still exists in every sphere of life. (Bangladesh's I-PRS draft June 2002)

8.11.6 Many 'advocacy NGOs' are also not able to absorb large funding resulting in a danger of maximum small projects. DFID's solution has been to develop a Human Rights and Governance Fund, which is now being established to devolve appraisal, approval and monitoring to an autonomous fund. It has the potential to massively expand DFID's work in this area, and hopes to support up to 120 small to medium initiatives in the next five years.

8.11.7 Other rights commitments made in the CSP have been difficult to fulfil, but major effort went into them. In early 2000, a scoping study on child rights was completed³⁸. A resulting initiative with the Government and ILO for eliminating the worst forms of child labour took two more years to develop which is now being appraised. Similarly, DFID undertook a study on land rights³⁹ in 2000, and discussed land administration reform possibilities with government. This proved unproductive. However, support to a grassroots organisation struggling for land rights (Samata) was approved in late 2001.

8.12 **Gender equity:** The 1998 CSP gave particular attention to improving the position of women, and addressing gender inequalities in Bangladesh. These are acute⁴⁰. Disparities in various indicators of well being and access to services and resources are glaring. Maternal mortality rates are very high, though falling. Girls have much less access to secondary and higher education. Women suffer disproportionately from poverty. They do not own key productive assets (e.g. land). Their position is perpetuated by abuse (70% of rural women face domestic violence within any year). Cultural norms deny women their rights. Women are less likely to get access to health services in a timely manner. They often cannot seek justice independently from their men-folk. These problems are widely recognised, at least by pro-poor civil society and parts of Government. The latter has ratified conventions such as CEDAW, and developed a National Plan of Action for Women's Advancement after the Beijing International Conference. DFID has sought to build on such policies in defining its own support to women in Bangladesh.

8.12.1 DFID has put considerable effort into promoting women's rights in three ways. First, a new strategy was developed to inform the country programme, which started a process of internal capacity building (1999 Gender Review, 2000 Gender Strategy, 2001 Training). Second, mainstreaming gender equity in other sectors became a key focus, often building on the GoB's commitment in their National Action Programme. A gender strategy has been developed under HPSP. Gender issues have been integrated in the New Agricultural Extension Approach. ESTEEM has sought to mainstream gender issues within the Department of Primary and Mass Education. The outcomes of these in terms of increased gender equity are hard to assess. Third, a range of projects were developed or investigated, which target women and gender issues in particular. As mentioned before, much of DFIDB's support towards gender equality and women's empowerment is through sectoral programmes such as health and education. Moreover, support to micro-finance-led NGOs, such as BRAC and Proshika, place emphasis on women's access to resources and social organisation. They also address, to varying extent, issues such as reducing violence, and broader awareness raising.

³⁸ Sheena Crawford, Emily Delap and Tom Beloe. Children's Rights & Children's Work in Bangladesh. DFIDB

³⁹ Saurabh Sinha & Kazi Ali Toufique. Access to land & water rights for the rural poor. DFIDB 2000.

⁴⁰ Julie Lawson-McDowell. Key Gender Issues in Bangladesh. Gender Briefing for DFIDB Volumes 1-3. August 2001.

8.12.2 A few of the agricultural extension projects target women specifically, including SHABGE and the homestead gardening component of DFID's support to DAE. DFID has been a strong supporter of reproductive health interventions benefiting women. Several of education projects target women specifically. For example, in BRAC's NFPE project, 70% of pupils are girls, and all teachers are women. Shoisab and REFLECT projects work largely with women and girls. There has also been an attempt to engage with central ministries. DFID has been in discussions with the Ministry and Women Affairs, about providing larger scale strategic support to the NAP in collaboration with other donors in the LCG sub-group on women's equality but no concrete proposals have yet emerged. However, we recognise that we still do not do enough to address men effectively, recognising their key decision making role in terms of female reproductive health, family size and use of treatment. Men must be included if the maternal mortality rate is to be reduced.

8.13 **DFID Central Initiatives:** In addition to the work initiated by DFIDB, UK Departments have supported several small initiatives. Each year a small number of international NGOs receive funding for work in Bangladesh from DFID HQ through the Civil Society Challenge Fund. An Asia Regional Poverty Fund has financed small projects on issues cutting across national boundaries (e.g. HIV/AIDs regional information sharing). Central knowledge and research programmes finance a number of longer-term research projects. Links with country programme are, however, rarely strong, and DFIDB staff are rarely engaged although some, knowledge and research projects have informed DFIDB work, particularly natural resources, poverty and environment and, of particular interest for Bangladesh, arsenic.

Influencing Strategy:

A recent NAO report praised DFID's efforts to influence the debate in a pro-poor direction. However, it also noted that DFID lacks a coherent "influencing" approach. The lack of a clear strategy or measurable objectives for influencing makes it impossible to measure impact at corporate as well as country levels.

(The National Audit Office, April 2002)

Perception of DFID in Dhaka:

- excellent analytical and technical back-up
- sought after co-financer and member of consortia
- active involvement of advisers during design phases
- flexible regarding procedures compared to other donors
- fast and flexible technical assistance

(DFID: Influencing Study 2002)

9. Engagement and Influence

- 9.1 Promoting pro-poor policies, programmes and attitudes is an over-arching objective. DFIDB has recognised that more effective and co-ordinated action by government and the "donor community" is needed if development goals are to be achieved. Investing time influencing others should therefore have more impact on poverty than the sum of a single agency's projects. More effective engagement and influence has been an aim and set of activities for DFIDB in the last four years.
- 9.2 An independent study of our efforts has recently been carried out⁴¹ to help assess the impact we have made. Caution with the concepts is needed. The process of influencing is complex and hard to define. Attributing the impact of influence is almost impossible. Influencing is sometimes seen as a potentially arrogant term, and hides a more complex reality of interacting and working with others. In practice, for DFIDB, influencing has meant engaging with various partners: government, donors, civil society and the private sector. Activities include funding, collaborating, advocating and co-ordinating. The influencing resources at DFID's disposal include finance, staff and information.
- 9.3 Influencing objectives are implied by the CSP. They are not explicit. The CSP sets out 38 statements related to influencing, but these were not been pulled together in the document. Nor was a single advocacy strategy agreed by DFIDB – though discussion about advocacy priorities and approaches has occurred periodically⁴². Important influencing examples can be drawn from the preceding section on DFIDB's sectoral and thematic work. They include for example, promoting financial and administrative reform (e.g. with MoF and Planning); moving towards more co-ordinated donor programming (e.g. in health and education sectors); encouraging more pro-poor policies (e.g. in the natural resource sector); improving institutional arrangements (e.g. NGO effectiveness).
- 9.4 The Influencing Study assessed other stakeholders' perceptions and concluded that DFID is seen as influential and it has maintained a constant, consistent and credible influence: DFID is therefore a key player in bringing to Bangladesh the international norms and expectations of development. In part this is due to "size" and approach. DFID is second largest bilateral donors. Japan provides the largest bilateral grant volume, but is engaging less in the policy debate. DFID is a grant donor, and therefore seen as less "expensive" than multi-lateral financing. DFID is also relatively flexible in approach because of its high level of delegated authority, compared to other agencies. DFID's credibility is enhanced by its strong and diverse professional advisory staff relative to most other agencies, backed up by the reputation of DFID internationally and support by a high profile diplomatic presence through the UK High Commissioner.
- 9.5 The CSP set an explicit objective of supporting the local donor consultation mechanism. This has been a major emphasis on DFIDB work and one with considerable impact. DFIDB was instrumental in helping to review the work the Local Consultative Group (LCG) needed in setting up and participating in a new executive committee for the Group and in chairing five of the subgroups. DFID's contribution is widely appreciated in the donor group represented in Dhaka. However, it is necessary to be realistic about the overall impact of the LCG and its Sub-groups, bearing in mind the weak involvement from the Bangladeshi government side and the difficulties of bringing together donors with different strategies, procedures and mechanisms for development assistance.

⁴¹ David Watson, Diana Goldsworthy, Archana Patkar. DFIDB Influencing Study. 2002.

⁴² See "Approaches to Advocacy - annotated list of materials". DFIDB 2000.

- 9.6 The Influencing Study also identified perceptions that may undermine DFID's effectiveness and credibility in the eyes of some, and in some contexts. They include being too project and "spend" focused and using too many expatriate consultants. DFID is seen by some as interacting too much with consultants, think tanks and donors, and not enough with government, the private sector and poor people themselves. Furthermore, the study suggested that project management approaches can sometimes be a constraint. Since DFID is often seen as prioritising delivery against log frame priorities, rather than the "political" realities that determine a wider range of opportunities for influencing change.
- 9.7 DFID culture is seen as largely "written and technocratic" and is therefore often at odds with the context of those we wish to influence. The Study also reflects on the only partial progress that DFIDB has made to become more knowledgeable about country context – through better induction, language training, and the recruitment of Bangladeshi senior staff. The authors of the study were also concerned that spending and accounting for funds can distract from influencing. They emphasised that some of the most influential activities undertaken do not necessarily mean spending much money since small projects can be linked to a broader process such as policy debates and reform. Examples cited include: support to lobbying by the Campaign for Popular Education; and the preparation of pre-election policy briefs by the Centre for Policy Dialogue.
- 9.8 DFIDB is certainly aware of the constraint which staff resources place on the ability to influence. Many time-consuming influential activities are entirely non-project. Examples include: DFIDB's leading roles in many of the thematic LCG sub-groups; and networking outside of bureaucratic and project contexts.
- 9.9 Assessing DFIDB's performance in terms of influencing is difficult because we have no "baseline" and no well laid out strategy against which to judge. However the Study argues that DFIDB does need to utilise its information and knowledge more strategically. This requires more management of engagement processes, including various forms of change modelling. More effective influencing needs more prioritisation. Refining key messages, tactics, internal DFID co-ordination and better targeting of stakeholders would improve effectiveness of influencing efforts. DFIDB recognised the need to develop a communications strategy to influence wider policy and an experienced Media and Communications Officer was appointed in January 2002. DFIDB is now considering how its external communications work should support its engagement and influencing agenda.
- 9.10 DFIDB has utilised various methods for furthering its knowledge and understanding of both the overall development in Bangladesh, specific sectors and not least development issues. Thematic and strategic studies have been often preceding project identification; recent examples are studies on child rights, land rights, "The Big NGO Review" and the livelihoods strategy background documentation. Major initiatives in new areas created new knowledge, e.g. during the design phase of the Public Access to Justice Project and HUGO, which summarised DFIDB's knowledge on law and order, and civil society and demand-side pressure for change in governance generally.
- 9.11 For example, the increased knowledge and understanding provided by the livelihood strategy work has contributed across the programme and has had an impact on the office "ways of working". The studies highlighted the dynamic and complex nature of rural

Knowledge sharing:
DFIDB staff participate continuously in various knowledge sharing events, e.g. regional workshops on issues like health SWAPs, literacy and livelihoods. Apart from that, all advisers are in some way or the other part of "virtual teams" with connections to DFID HQ teams and knowledge sharing through the professional cadres.

livelihoods, rural/urban and poverty/environment linkages and the importance of rural non-farm economic activities. The result for DFIDB was a fundamental rethink of how the office ensures achievement of rural outcomes including restructuring and integration of Natural Resources and Fisheries programmes and the development of a broader multidisciplinary advisory team. The DFIDB education team has negotiated and led on conducting four major evaluation exercises in primary and basic education. These exercises have been instrumental in leading GoB line ministry officials and development agency partners to a better understanding of the needs of the sub-sector, by highlighting crucial areas for reform. Each evaluation exercise relates to and reinforces the other, providing evidence for the case for change through iterative judgements, which cannot be ignored⁴³. A similar experience is reported from DFIDB's health team where a midterm review significantly influenced the thinking around the preparations for the next Health SWAP⁴⁴.

9.12 The challenge for DFIDB is how to gain knowledge effectively and to share lessons in an efficient way bearing in mind proportionality of time and effort.

⁴³ The evaluations (2001) were: Assessment of Primary Education Development Programme (PEDP), the Midterm Review of Effective Schools Through Enhanced Educational Management (ESTEEM), Assessment of the GoB's Non-Formal Education Programme, and, Education Watch – A Civil Society Scrutiny of Education in Bangladesh.

⁴⁴ Mid-Term Review of HPSP, May 2001 and the Mid-Term Review of HPSP, May 2000.

10. Lessons for the Future Strategy

- 10.1 The following summarise some of the lessons learned during the last few years. These will be one of many inputs into the coming Country Assistance Plan.
- 10.2 We have to recognise that for the time being non-government channels are likely to be the most effective in bringing direct benefits to poor people in the short term. On the other hand, the long-term development of Bangladesh depends on improvement in the quality, effectiveness and availability of public services. We need find an appropriate balance between supporting non-governmental actors and enabling public services in ensuring that development objectives are met.
- 10.3 Improvements in governance will continue to be central for the development of Bangladesh in the foreseeable future. Political will, including commitment by top officials, are prerequisites for major reforms. Hence, the political linkages with the public service, including personalities, are major factors affecting the sustainability of reforms. DFID needs to improve its understanding of the political dimensions of development and engage at the highest political level of government but also continue working on improvements of accountability and reform in a pragmatic way on the ground.
- 10.4 DFIDB should continue to provide direct and indirect support to organisations, individuals and underlying socio-economic processes that will help to increase demand for improved governance, which we see as a key factor for poverty reduction and improved welfare in Bangladesh. Enhancing the participation of women, at all levels, is a key governance objective.
- 10.5 Longer time frames are required for strategies, programmes, projects and staff contracts as we recognise the need to take a longer-term view of support to socio-economic changes that will impact on poverty reduction through improved governance, economic growth and equality. Persistence is vital in engaging with senior officials and politicians in order to build mutual understanding and foster ownership of the underlying structural problems and means of reform.
- 10.6 We need to recognise that Bangladesh is gradually getting less aid dependent and we need to understand better the incentives for Government to interact with us.
- 10.7 We need to be more modest about what we can achieve in any given period. DFIDB's future strategy and its specific objectives need to build around expected outcomes and be operational and measurable. Each objective should have indicators that are specific, measurable, achievable, realistic and time-bound, linked both with the emerging Bangladesh Poverty Reduction Strategy and the MDGs/PSA/SDAs. However, impact and outcomes will remain hard to measure, especially as we work more through and in close partnership with other donors and partners, and the question of attribution will continue to be a challenge, especially as so many factors affect the outcomes of our programme portfolio in Bangladesh.
- 10.8 DFID's active participation in donor consortia and the LCG mechanisms should continue to provide a vehicle for influencing other donor's policies through provision of evidence of impact of past practice. Further, DFID needs to push for still more radical reform and making Sub-groups effective and not just talk shops. Linkages with the main LCG need to improve so all Sub-groups aggregate up in an effective way.

- 10.9 We need to move beyond donor coordination which is well developed to donor cooperation, where each donor concentrates on its comparative advantage. This is especially the case in Bangladesh where the key problems are in implementation rather than resource constraints. DFIDB should acknowledge that the existing large number of donor projects is a major coordination/planning problem for GoB and that we all need to improve accountability and transparency. The LCG has already initiated some work on this issue, led by UNDP. We need to work towards reduction of numbers of donors in each sector, increased risk-sharing through lead donors and closer co-operation among donors as means to achieve effectiveness in reaching desired outcomes. Discussions within the LCG on aid effectiveness shall be encouraged as an integrated part of donor's response to the GoB Poverty Reduction Strategy (PRS).
- 10.10 DFIDB should consolidate the overall programme to allow more involvement and learn better across programmes and focus on higher-level engagement, more strategic interventions and influence; bearing in mind that capacities and opportunities for influencing develop gradually, based upon long sector engagement and build-up relationships. Communications needs to be a stronger theme of our progress.
- 10.11 Supporting the drivers for pro-poor change and exerting influence often require large staff resources but spends few programme resources. This needs to be balanced against central pressures to prioritise and maximise impact.
- 10.12 We should also build on and improve DFID's human capital on the ground in Bangladesh, as it is the perceived strength of the development programme. DFIDB should put more emphasis on the induction period for new staff, both UK based and nationals and ensure that all staff improves their understanding of the socio-cultural context of Bangladesh. Field visits; language training and closer contacts with Bangladeshi society will be encouraged.
- 10.13 We need to give greater attention to re-definition of the boundary of public and private sector. The role of the private sector is acknowledged as a prime determinant of poor people's livelihoods, and the sector should feature more prominently in the configuration of the programme, as process that has already begun with the formulation of a number of programmes targeting SMEs. DFID also needs to understand the opportunities and issues related to gender discrimination in the business sector.

(End of report, DFID Bangladesh, August 2002)

Annexes

Annex 1:

- *Outcomes and Impact Assessed Against Bangladesh 1998 CSP Objectives*

Annex 2:

- *Bibliography*

ANNEX 1: OUTCOMES AND IMPACT ASSESSED AGAINST BANGLADESH 1998 CSP OBJECTIVES

CSP OBJECTIVE 1: IMPROVEMENTS TO LIVELIHOODS AND BASIC SERVICES

OBJECTIVE 1: IMPROVEMENTS TO LIVELIHOODS AND BASIC SERVICES: HIGHER LEVEL OUTCOMES AND IMPACTS		
	Intended	Actual
Livelihoods	<ul style="list-style-type: none"> ■ Environmentally sustainable rural production ■ Reduced vulnerability of those on the margins ■ Improved access of rural poor to technology, land and water resources ■ Rehabilitation and development in the Chittagong Hill Tracts (CHT) 	<ul style="list-style-type: none"> ■ Increased agricultural and fisheries production contributing to achievement of national food self-sufficiency (DFID is the largest donor in both sectors). ■ Increased incomes, improved food security and reduced vulnerability for rural households in target project communities (e.g. final evaluation of LIFT project found that homestead fruit and vegetable production increased from 49kg to 121 kg in participating households, with home consumption increasing by 100% and sales by 400%). ■ Reduced over-exploitation of natural resources (khas lands and open waters) through improved homestead garden and pond aquaculture production. ■ Improved access to services/information that can deliver relevant and sustainable technologies and skills development (e.g. Rural Broadcasting Project, LIFT, FTPEP). ■ Little impact in CHT due to delays and subsequent deprioritisation.
Health	<ul style="list-style-type: none"> ■ Improved access and to, and utilisation of, health services - especially by poor women and children 	<ul style="list-style-type: none"> ■ Too early to infer demonstrable impact of Health SWAp on health outcomes (common with all SWAPs).
Education	<ul style="list-style-type: none"> ■ Improved quality of, and access to, primary education for the poor and for girls. ■ Increased opportunities and benefits for poor children at post-primary levels. 	<ul style="list-style-type: none"> ■ Too early to determine impact of education sub-sector support (OPR for ESTEEM project). ■ Improved access to education for the poor through DFID-supported GoB and NGO programmes, particularly working children, who show improvements in their livelihood and earning prospects.
Disasters	<ul style="list-style-type: none"> ■ Reduced vulnerability of those on the margins 	<ul style="list-style-type: none"> ■ Famine avoided following 1998 floods (£10 million to WFP for emergency food relief and various NGO rehabilitation activities). ■ Reduced vulnerability to disasters for poor people in target communities (Oxfam project)
Enterprise	<ul style="list-style-type: none"> ■ Wider range of financial services for extreme poor ■ Expansion of small enterprise / access to finance and skills 	<ul style="list-style-type: none"> ■ Improved access to financial services for approximately 6 million NGO members, leading to income improvements and reduced vulnerability, though mainly for moderate poor (DFID-assisted BRAC and Proshika programmes). ■ Increased incomes for small producers through improved access to enterprise training, skills, and markets (e.g. BEMAP, ITDG, BRAC, Proshika).

OBJECTIVE 1: IMPROVEMENTS IN LIVELIHOODS AND BASIC SERVICES: INTERMEDIATE OUTCOMES AND IMPACTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ Improved poverty focus of SWAps ■ Increased focus on extreme poor 	<ul style="list-style-type: none"> ■ See Health ■ Supported shift in BRAC towards addressing needs of extreme poor, leading to design of a major BRAC programme targeting the ultra-poor.
Livelihoods	<ul style="list-style-type: none"> ■ Greater focus on agriculture sector policy 	<ul style="list-style-type: none"> ■ Development of New Agricultural Extension Policy (NAEP) and Guidelines on use of pesticides in agriculture informed by lessons from Interfish2 and ASSP2. ■ Stronger commitment from GoB and donors to implement NAEP and sector-wide working (as promoted through chairing of LCGs on agriculture and fisheries). ■ Inclusion of key pro-poor methodologies and principles in National Fisheries Policy, as promoted by DFID programme. ■ Contributed to inclusion of livelihoods principles in Rural Development Policy. ■ New methodologies integrated into service delivery systems (e.g. IPM through Interfish2, and integrated extension approaches under ASSP2). ■ Increased recognition of the role of the private sector (e.g. in NFEP and LIFT projects, private fry traders and local private extension agents have had considerable impact in increasing productivity). ■ Increased capacity of school teachers to deliver key technical messages (FTEP).
Health	<ul style="list-style-type: none"> ■ Improved poverty focus of SWAps 	<ul style="list-style-type: none"> ■ Improved poverty focus of HPSP following development of a pro-poor strategy by the Ministry of Health and Family Welfare (largely based on DFID-funded technical analysis - Public Expenditure Reviews and Benefit Incidence Analysis). ■ Strategic Investment Plan for HIV/AIDS prevention developed in partnership with GoB and other donors. ■ GoB decisions on introduction of new vaccines and delivery systems informed by DFID advisory work with Interagency Co-ordination Committee. ■ Maternal mortality agreed as a key marker of the performance of the health sector as a whole, with renewed GoB commitment to ensure poor women's access to obstetric care.
Education	<ul style="list-style-type: none"> ■ More comprehensive approach to education sector as a whole 	<ul style="list-style-type: none"> ■ Limited progress in promoting NGO-Government-donor dialogue and partnership in policy development, planning and education provision.
Disaster	<ul style="list-style-type: none"> ■ Better account taken of regular incidence of natural disasters 	<ul style="list-style-type: none"> ■ Improved speed and effectiveness of 1998 flood response through DFID attempts to increase partnerships between DAE and NGOs. ■ Contributed to creation of LCG subgroup on Disasters and Emergency Relief. ■ Preparation of a comprehensive multi-donor disaster response plan based on DFID technical collaboration with WFP. ■ Increased awareness of communities at all levels of society about disaster preparedness following training and public awareness-raising activities (DMB project). ■ But, disaster preparedness not yet mainstreamed into activities.
Enterprise	<ul style="list-style-type: none"> ■ Better management of credit programmes ■ Wider range of financial services to meet needs of extreme poor. 	<ul style="list-style-type: none"> ■ More sustainable and best management practices adopted in microfinance sector (e.g. by BRAC), largely due to DFID influence and experience. ■ Increased awareness amongst microfinance providers of need for innovation in broader range of financial products with greater benefits for the poor (through range of DFID publications). ■ Increased outreach of microfinance to the poor in Bangladesh through partner NGOs, with DFID playing an important role in providing TA and expertise.
IUDT	<ul style="list-style-type: none"> ■ Municipal services improved 	<ul style="list-style-type: none"> ■ Urban work on hold awaiting indication of progress on GoB reform. ■ Improved provision and utilisation of hygienic latrines in NGO target communities (DFID-supported WaterAid Community-Based Water Supply, Sanitation and Hygiene Education Programme in urban slums showed 65% usage of hygienic latrines compared to 50% in non-participating areas).

OBJECTIVE 1: IMPROVEMENTS IN LIVELIHOODS AND BASIC SERVICES: APPROACHES AND AID INSTRUMENTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ "Priority = rural poor" ■ Develop portfolio of projects to reach extreme poor. ■ SWAps generally ■ Encourage participation of poor in planning, implementation and monitoring 	<ul style="list-style-type: none"> ■ Support to Proshika's PPA and participatory evaluation approaches. ■ Increased focus on extreme poor living in marginal areas through development of char and coastal livelihoods programmes. ■ Greater involvement of communities in planning and management of publicly delivered social services through shift to SWAps.
Livelihoods	<ul style="list-style-type: none"> ■ Increase proportion of projects with livelihoods/ services/ coping as focus ■ Rural sector SWAp specifically ■ Increase focus on sector policy issues e.g. fertiliser and land. ■ Encourage inter-sectoral programmes ■ Build on success of agriculture and fish extension & applied research ■ Set rural projects in context of better understanding of overall problems of poor people. 	<ul style="list-style-type: none"> ■ New livelihoods projects in marginal areas e.g. Chars and Coastal. ■ Shift to Rural Sector SWAps (investment in a multidonor \$100 million SWAp through 4th Fish and ASIRP). ■ Engaging government in institutional and policy reform for more effective services to the poor (e.g. 4th Fish and ASIRP). ■ Integration of NR/FAR programmes around a new Rural Livelihoods Strategy, linking closely with other sectors. ■ Building on successes in technology, research and extension to support agriculture and fisheries production. ■ Use of the Sustainable Livelihoods Approach to improve poverty targeting, monitoring and impact. ■ Studies undertaken on poverty, gender, livelihoods, and environment.
Health	<ul style="list-style-type: none"> ■ Health SWAp. ■ Emphasise importance of nutrition as indicator of poverty. ■ Encourage more intersectoral government programmes with potential to impact on nutritional status. ■ Develop closer links between NGO programmes and national health programmes. 	<ul style="list-style-type: none"> ■ Support to evolution of Health SWAp (Health and Population Sector Programme HPSP) through improved planning, monitoring, financial management systems, decentralised management, and partner co-ordination. ■ Nutrition? ■ Supported targeted NGO interventions which contribute to HPSP development. ■ Contributed to development of gender-equity, maternal health, poverty and stakeholder strategies.
Education	<ul style="list-style-type: none"> ■ Improve GoB sector management and complementary NGO programmes 	<ul style="list-style-type: none"> ■ Supported multi-donor assisted Primary Education Development Programme (PEDP), with focus on increased coherence, co-ordination and sector management. ■ Contributing to review of strategies and priorities for support to higher-level skills in context of globalisation and WPII.
Disaster	<ul style="list-style-type: none"> ■ Increased proportion of projects with coping as focus. 	<ul style="list-style-type: none"> ■ New projects developed following 1998 floods (with BRAC and Proshika) ■ Support to NGO projects to build communities' coping capacities (Oxfam)
Enterprise	<ul style="list-style-type: none"> ■ Encourage development of wider range of NGO financial services or extension of programmes. 	<ul style="list-style-type: none"> ■ Support to diversification and expansion of NGO micro-finance activities.
IUDT	<ul style="list-style-type: none"> ■ Develop water and sanitation sector programme. ■ Address arsenic contamination crisis. 	<ul style="list-style-type: none"> ■ Supporting GoB's 1998 Policy for Safe Drinking Water Supply. ■ Commenced largest DFID water and sanitation programme in any country. ■ Supporting government to establish a new Arsenic Programme Support Unit for the National Arsenic Mitigation Programme.

CSP OBJECTIVE 2: PRO-POOR GROWTH

OBJECTIVE 2: PRO-POOR GROWTH: HIGHER LEVEL OUTCOMES AND IMPACTS		
	Intended	Actual
General	<ul style="list-style-type: none"> Greater economic growth with benefits to the poor. 	<ul style="list-style-type: none"> Improved access to markets for small producers, especially at export level, leading to improved trading volumes by several million dollars (ITDG, BEMAP). Increased ability of Dhaka to support its rapid commercial and industrial expansion, following DFID support to Dhaka Electricity Supply Authority (DESA).

OBJECTIVE 2: PRO-POOR GROWTH : INTERMEDIATE OUTCOMES AND IMPACTS		
	Intended	Actual
EED	<ul style="list-style-type: none"> Economic reforms Strengthened institutions Better fiscal management Improved revenue raising. Increased investment and trade Financial sector reform Privatisation Pro-poor budgetary policies: reduced untargeted subsidies, reduced haemorrhage from SOEs, reallocation of military spending on education, health and infrastructure 	<ul style="list-style-type: none"> Contributed to development of a Fiscal Management Reform programme, representing DFID's largest commitment to fiscal reform in the world (Negative - incremental approach may have prolonged poor expenditure control practices). More equitable and performance-based system of fiscal policy-making and budgetary control developed in MoF and National Board of Revenue with DFID support. Increased commitment in GoB to reform income tax and VAT administration (request from Chairman of National Board of Revenue to DFID for further support to implement Revenue Administration Modernisation Policy). Improved technical skills in auditing and fraud detection within National Board of Revenue (OPR). But, limited progress in increasing revenues. Improved private investment in infrastructure, through DFID-assisted IIFC component of World Bank programme (evidence?) No progress on privatisation and financial sector reform due to lack of GoB commitment. No impact reported.
IUDT	<ul style="list-style-type: none"> Improved revenue raising. Strengthened institutions 	<ul style="list-style-type: none"> Development of road fund in RHD to develop revenues to fund road maintenance. Support to gas sector not had any measurable influence on sector reform - problem of regulatory abuse.

OBJECTIVE 2: PRO-POOR GROWTH: APPROACHES AND AID INSTRUMENTS		
	Intended	Actual
EED	<ul style="list-style-type: none"> Support policy and institutional change e.g. related to finance sector, revenue raising, and use of budgetary resources. Support investment in public and private sectors. 	<ul style="list-style-type: none"> Support to Infrastructure Investment Facility Centre. Linking small producers with export markets (BEMAP, ITDG). Supporting increased provision of private sector business development services to SMEs. Assisting microfinance institutions to develop financial products to better cater for SMEs. Support to component of World Bank-financed export diversification project with Bangladesh Tariff Commission. Support to NGOs working on fair trade.
IUDT	<ul style="list-style-type: none"> Invest in infrastructure where relevance to poverty reduction clearly identified - especially national roads and bridges in poorer regions Support rural electrification Avoid gas and power unless corruption addressed. Address sectoral environmental issues, but not National Environmental Management Action Plan (sufficient other donors) 	<ul style="list-style-type: none"> Supported Roads and Highways Department (RHD) to improve road and bridge network in the poorer north-east and west. Assisting GoB to develop a Road Transport Policy, with possibility of progression to integrated transport policy. Supported restructuring and capacity building within RHD to improve efficiency in road network maintenance. Support to Rural Electrification Board still under consideration. Continued support on energy (SCADA, DESA). Supported development of RHD manuals to address environment, resettlement, health, safety and social issues (incorporating ILO Core Labour Standards).

CSP OBJECTIVE 3: BETTER GOVERNANCE AND MORE EFFECTIVE INSTITUTIONS

OBJECTIVE 3 : BETTER GOVERNANCE AND MORE EFFECTIVE INSTITUTIONS: HIGHER LEVEL OUTCOMES AND IMPACTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ More effective representation of poor people's needs at local and national level. ■ Increased responsiveness of institutions to poor people's needs and priorities. 	<ul style="list-style-type: none"> ■ Contributed to development of enabling environment for improved representation of poor people's needs.

OBJECTIVE 3 : BETTER GOVERNANCE AND MORE EFFECTIVE INSTITUTIONS: INTERMEDIATE OUTCOMES AND IMPACTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ Poor empowered to represent their own interests 	<ul style="list-style-type: none"> ■ Greater economic and social empowerment of target households and communities, through support to key NGOs e.g. BRAC and Proshika (though some impact assessments are perceived to be methodologically flawed).
Governance	<ul style="list-style-type: none"> ■ Better financial management ■ Reduced corruption ■ Improved relevance and effectiveness of senior management training ■ Civil service reform ■ Parliamentary effectiveness ■ Fair elections ■ Greater political accountability ■ Political parties achieve greater internal democratic processes ■ Press effectiveness (better information and debate 	<ul style="list-style-type: none"> ■ Improved budgeting and accounting systems (RIBEC) ■ Secured agreement amongst 5 central agencies to prepare a shared financial management reform programme. ■ Promoted improvements in audit procedures (RIGA) ■ Increased quality and relevance of training programmes for different levels of GoB staff at the Financial Management Academy (FIMA). ■ Positive attitudinal change amongst GoB staff (FIMA and SISP). ■ Contributed to issuing of orders from Controller and Auditor General for improved GoB staff continuity. ■ Improved decision-making and efficiency of staff development through project management teams and task forces. ■ Helped promote increased focus on local ownership of election processes through central role in co-ordinating donor support for domestic election initiatives. ■ NGO-led voter education likely to have contributed to higher turn-out and less "traditional" voting in 2001 national election (support to ADAB). ■ Better information on GoB development projects following support to Planning Commission project database (SISP). ■ Increased capacity within Transparency International following DFID's co-ordination of donor inputs.
Livelihoods	<ul style="list-style-type: none"> ■ Local government more responsive to local needs ■ More effective institutions 	<ul style="list-style-type: none"> ■ Promoted establishment of frameworks to improve co-ordination of rural service providers (public, NGO and private sector) at thana and District levels (e.g. ASIRP). ■ Fostered greater collaboration and understanding between NGOs and Government (e.g. MoU drawn up between CARE Interfish project and DAE). ■ Contributed to development of new policies that address need for linkages across sectors (e.g. NAEP). ■ Contributed to better cross-ministerial planning and co-ordination through chairing of LCGs on fisheries and agriculture.
SD	<ul style="list-style-type: none"> ■ Parliamentary effectiveness ■ Fair elections ■ Press effectiveness (better information and debate 	<ul style="list-style-type: none"> ■ Contributed to improved pre-election policy briefing for political candidates in run-up to 2001 elections. ■ Achieved significant press coverage on role of pre-election policy briefing for candidates.

Disaster	<ul style="list-style-type: none"> ■ More effective institutions. 	<ul style="list-style-type: none"> ■ Improved GoB disaster management through preparing planning documents. ■ Increased interest in GoB in a more comprehensive and co-ordinated approach to disaster management (DMB project).
Health	<ul style="list-style-type: none"> ■ Better financial management ■ Civil service reform ■ Local government more responsive to local needs 	<ul style="list-style-type: none"> ■ Increased effectiveness of organisational systems in Ministry of Health and Family Welfare through DFID support to improved financial management and cadre reform. ■ Increased debate about role and relevance of traditional planning processes. ■ Improved understanding of sectoral financing amongst GoB and partners. ■ Development of client charter of rights in the health sector. ■ Supported development of stakeholder participation strategy within HPSP to enable poor people to raise their voice and exercise rights to access improved social services. ■ Shift to sectoral working enabled deployment of tools for accessing community voice through periodic Service Delivery Surveys.
IUDT	<ul style="list-style-type: none"> ■ Civil service reform ■ Better financial management 	<ul style="list-style-type: none"> ■ Supported reorganisation of RHD to allow development of and retention of specialists in key positions. ■ Supported introduction of computerised personnel databases that identifies "ghost workers". ■ Improved and more transparent lines of financial reporting in RHD.

OBJECTIVE 3 : BETTER GOVERNANCE AND MORE EFFECTIVE INSTITUTIONS: APPROACHES AND AID INSTRUMENTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ Central to our strategy ■ Assist civil society to strengthen voice of the poor, and to articulate and lobby for pro-poor policies. ■ Support representative business, research and advocacy groups 	<ul style="list-style-type: none"> ■ Support to major NGOs (BRAC, Proshika) who promote approaches to empower poor men and women. ■ Gradual shift in NGO portfolio towards increased support to "pro-poor voice activities" (e.g. eADAB, Nijera Kori) - too early to assess outcomes. ■ Supported Centre of Policy Dialogue for consultations, task forces, and dissemination of policy briefs to political candidates in run-up to 2001 elections (SD).
Governance	<ul style="list-style-type: none"> ■ Consider training and audit projects. ■ Assist Ministry of Establishment to improve senior management training. 	<ul style="list-style-type: none"> ■ As specified.
SD	<ul style="list-style-type: none"> ■ Assist civil society to strengthen voice of the poor, and to articulate and lobby for pro-poor policies 	<ul style="list-style-type: none"> ■ Development of a Human Rights and Governance umbrella fund to enable support to small and large scale initiatives.

CSP OBJECTIVE 4 : REALISATION OF HUMAN RIGHTS

OBJECTIVE 4 : REALISATION OF HUMAN RIGHTS: HIGHER LEVEL OUTCOMES AND IMPACTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ Improved access to land ■ Rights of the child ■ Legal rights ■ Reduced insecurity ■ Human rights safeguarded 	<ul style="list-style-type: none"> ■ Children's' rights to education promoted, reflected in quantitative improvements in access to education. ■ But, no evidence of decline in number of working children.

OBJECTIVE 4 : REALISATION OF HUMAN RIGHTS: INTERMEDIATE OUTCOMES AND IMPACTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ Promotion and advocacy of human rights at local and national level ■ Improved community-level effectiveness of police and judicial system 	<ul style="list-style-type: none"> ■ Increased awareness amongst institutions (specifically NGO partners) of the need to understand and respond to the rights of poor people. ■ No impact reported.

OBJECTIVE 4 : REALISATION OF HUMAN RIGHTS: APPROACHES AND AID INSTRUMENTS		
	Intended	Actual
SD	<ul style="list-style-type: none"> ■ Support organisations that specifically promote and advocate human rights. 	<ul style="list-style-type: none"> ■ Support to small project on combating violence against women (Naripokho). ■ Supported the Coalition for the Urban Poor to undertake advocacy following widespread slum evictions in 1999-2000 in Dhaka. ■ Land rights scoping study completed, which helped identify social mobilisation project with Samata. ■ Development of a Human Rights and Governance umbrella fund. ■ Completed scoping study and initial strategic approach to child rights (Jan 2000). ■ Potential to support ILO work on child labour under development.
Governance	<ul style="list-style-type: none"> ■ Work with judicial system and police 	<ul style="list-style-type: none"> ■ Discussions held with Ministry of Law resulting in request for support to reform of prosecution process. ■ Supported development of Police Action Plan as first step towards reform thinking.

CSP OBJECTIVE 5: IMPROVED POSITION OF WOMEN IN SOCIETY

OBJECTIVE 5 : IMPROVED POSITION OF WOMEN: HIGHER LEVEL OUTCOMES AND IMPACTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ Removal Of Women's Disadvantage In Health, Education, Representation In Public Life And Incidence Of Human Rights Abuses 	<ul style="list-style-type: none"> ■ Improved social and economic empowerment for approximately several million women who are NGO members, though mainly for the moderate poor (DFID-assisted BRAC and Proshika programmes).
Livelihoods	<ul style="list-style-type: none"> ■ As above 	<ul style="list-style-type: none"> ■ Greater capacity of women to control and manage income-generating activities (e.g. LIFT). ■ Improved access for women to information and services (e.g. in the Rural Broadcasting Project, percentage of women listening increased from 6.45% to 40%).

OBJECTIVE 5 : IMPROVED POSITION OF WOMEN: INTERMEDIATE OUTCOMES AND IMPACTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ Implementation of international guidelines ■ Implementation of Beijing Plan of Action 	<ul style="list-style-type: none"> ■ As specified
Livelihoods	<ul style="list-style-type: none"> ■ As above 	<ul style="list-style-type: none"> ■ Increased recruitment of women at levels in programme (despite blank ban on recruitment of women block supervisors). ■ Increased number of training awards for women. ■ Increased awareness of gender issues in MoA (resulting from PETRRA gender strategy and recognition of gender in DAE strategic plan).
Health	<ul style="list-style-type: none"> ■ As above 	<ul style="list-style-type: none"> ■ Increased focus in GoB on improving women's access to health services. Supported development of gender equity strategy in HPSP which represents a significant move by GoB towards meeting its international commitment to Beijing and the CEDAW. ■ Maternal mortality agreed as a key marker of the performance of the health sector as a whole, with renewed GoB commitment to ensure poor women's access to obstetric care.
Education	<ul style="list-style-type: none"> ■ As above 	<ul style="list-style-type: none"> ■ Increased focus in Directorate of Primary Education on institutional gender issues, following DFID support.

OBJECTIVE 5 : IMPROVED POSITION OF WOMEN: APPROACHES AND AID INSTRUMENTS		
	Intended	Actual
General	<ul style="list-style-type: none"> ■ "Give particular attention to improving the position of women" ■ Support targeted projects which address areas of gender inequality e.g. education and credit. ■ Support to government and NGOs striving to implement Beijing Plan of Action. 	<ul style="list-style-type: none"> ■ As specified ■ Around 90% of all programme participants targeted by the ED programme are women.
Livelihoods	<ul style="list-style-type: none"> ■ As above 	<ul style="list-style-type: none"> ■ Supporting mainstreaming of gender needs on all projects.
Health	<ul style="list-style-type: none"> ■ As above 	<ul style="list-style-type: none"> ■ Support to development of stakeholder participation strategy within HPSP to enable women to raise their voice and exercise rights to access improved social services. ■ Support to development of a gender-equity and maternal health strategy in the HPSP.
Education	<ul style="list-style-type: none"> ■ As above 	<ul style="list-style-type: none"> ■ Conducting assessment of impact of education on lives of women and girls.
SD	<ul style="list-style-type: none"> ■ As above 	<ul style="list-style-type: none"> ■ Support to project on combating violence against women (Naripokho).

CSP OBJECTIVE 6: CONSISTENCY IN DFID, HMG AND GOB POLICIES

OBJECTIVE 6. CONSISTENCY IN DFID, HMG AND GOB POLICIES		
	Intended	Actual
<i>Higher-Level Outcomes And Impacts</i>	<ul style="list-style-type: none"> ■ Interests of Bangladesh in particular those of the poor, taken into account in trade, finance, investment, environment and governance policies ■ Democratic government strengthened. 	?
<i>Intermediate Outcomes And Impacts</i>	<ul style="list-style-type: none"> ■ Interconnections established linked to aid programme 	<ul style="list-style-type: none"> ■ Design of Human Rights and Governance umbrella fund included close liaison with FCO (SD).
<i>Approaches and Aid Instruments</i>	<ul style="list-style-type: none"> ■ Encourage learning from international democratic experience and a peaceful approach to conflict 	?

APPROACHES AND AID INSTRUMENTS TO BE USED - GENERIC

Three threads:

- The development assistance programme itself
- Networking and dialogue between the BHC and DFIDB as a whole
- Ensuring HMG policies as a whole contribute to poverty reduction in Bangladesh

Intended	Actual (some examples)
<p>"Partnerships" - close and transparent ones [emphasised throughout of the CSP]</p> <ul style="list-style-type: none"> ■ Develop an environment for a more effective national partnership [with government] NGOs too, with proviso of similar commitment to openness and accountability ■ Foster close Government-NGO collaboration ■ Build on areas of common interest with the private sector: <ul style="list-style-type: none"> ● Increased investment ● Socially responsible business ● Skills shortages ● Environment ● Partnerships with Govt and NGOs ■ Research institutes - a resource for systemic dialogue and learning ■ British Bangladeshi community ■ Other donors ■ Assist partners to develop systems, skills and approaches 	<ul style="list-style-type: none"> ■ Supported targeted NGO interventions which contribute to development of HPSP (health). ■ Support to development partner co-ordination and coherence (health). ■ Fostered greater collaboration and understanding between NGOs and Government (e.g. MoU drawn up between CARE Interfish project and DAE). ■ Partnerships with World Bank, WFP, etc. ■ Facilitated preparation of a comprehensive multi-donor disaster response plan in collaboration with WFP. ■ Facilitated donor consultations on DAC draft Guidelines on Poverty Reduction - fed into PRSP discussions (SD). ■ Assisted Japanese aid programme with PRSP concepts (SD). ■ Assisted EC delegation on voice and rights aspects of their own CSP development (SD). ■ Informed World Bank's design of a project to build in gender into national budgeting (SD). ■ Contributed to adoption of livelihoods principles and framework to address rural poverty by other donors (SIDA, EU, and IFAD).
<p>Support NGOs (Bangladeshi NGOs - where we will expect and support transparency and accountability, and UK NGOs where they add value)</p> <ul style="list-style-type: none"> ■ Livelihood opportunities and services ■ Developing and testing ideas ■ Advocacy ■ Social mobilisation 	<ul style="list-style-type: none"> ■ Support to NGOs through SHAKTI and RASTTA project informed design of national HIV/AIDS prevention programme (Health). ■ Support to innovative social mobilisation and advocacy approaches through Proshika (e.g. annual pro-poor budget exercise and PPA) though impacts difficult to measure. ■ Support to innovative financial services development in partner NGOs (e.g. BURO Tangail).

<ul style="list-style-type: none"> ■ Stronger partnerships with the business sector <ul style="list-style-type: none"> ● Encourage business advocacy of appropriate policies and reforms ● Explore potential partnerships ● Seek private sector involvement in, e.g. vocational training, improved employment conditions, reduced child labour 	<ul style="list-style-type: none"> ■ Linkages to informal private sector to increase access of the poor to livelihood services/information/technology (e.g. private fry traders and local private extension agents in NFEP and LIFT) (RL). ■ Working through private sector to deliver services for safe drinking water and sanitation (IUDT). ■ Support to refocus RHD as an enabling agency with the capacity to outsource delivery of services to the private sector (IUDT).
<ul style="list-style-type: none"> ■ Focus efforts where most effective. DFID strengths seen to be its: <ul style="list-style-type: none"> ● In-country presence ● Capacity to support policy and institutional change through responsive and flexible assistance ● Grant funding ● Potential for increased levels of assistance in future 	<ul style="list-style-type: none"> ■ Shift towards more a coherent programme of support to Health and Population Sector Programme that is policy-focused rather than activity-based (Health)
<ul style="list-style-type: none"> ■ Add value to wider efforts ■ Explicit strategies for improving dialogue <ul style="list-style-type: none"> ● Support B. Development Forum and the LCGs ● Greater exchange of ideas and experience 	<ul style="list-style-type: none"> ■ Facilitated co-ordination of common statements on poverty issues at 2000 Bangladesh Development Forum e.g. ADB/UNDP statements (SD). ■ Active support and participation in LCG system on agriculture fisheries, food security, water, and environment (RL). ■ Contributed to creation of LCG subgroup on Disasters and Emergency relief. ■ Promoting fulfilment of national policy through LCG subgroup on Water and Sanitation. ■ Working with LCG sub-group on Women's Advancement to develop project in Ministry of Women and Child Affairs (SD). ■ Advisory work with the Interagency Co-ordination Committee for vaccine preventable diseases (Health).
<ul style="list-style-type: none"> ■ Other <ul style="list-style-type: none"> ● Improved poverty analysis ● Give particular attention to addressing the position of women ● "Institutional development" and capacity building = key means ● More readily deploy financial aid alongside TC ● Consider (sectoral) budget support where there is effective partnership ● Consider [wider] budget financing depending on commitment and management systems ● Possibility of increased programme resources where there is effective partnership 	<ul style="list-style-type: none"> ■ Completed programme poverty review - used by project teams to address poverty targeting more effectively e.g. livelihoods (SD). ■ Poverty study completed on "The Poverty Agenda: New Territories" (SD). ■ Scoping work on social protection schemes carried out with SDD to inform charlands programmes and feed into PRSP analysis (SD). ■ LogFrames for all major education projects reflect gender concerns (Education). ■ All DFID projects now analyse institutional development in their discussion of the project rationale, and about 90% address ID issues in project design (Governance).

INTERNAL DFID MANAGEMENT & PERFORMANCE ISSUES	
Intended	Actual (some examples)
<ul style="list-style-type: none"> ■ More readily deploy financial aid alongside TC ■ Strengthen DFIDB administrative and advisory functions ■ Close integration with other parts of the BHC ■ Be open to learning as well as influencing <ul style="list-style-type: none"> ● Understand partners' motivation and incentives ■ Improve our understanding of Bangladeshi society and institutions (noting difficulty caused by turnover of UK-based staff) <ul style="list-style-type: none"> ● Better language skills ● Spend time in Bangla communities ● Training in cross-cultural communication ● Increase use of Bangladeshi staff and consultants ■ Maximise DFID transparency ■ Harmonise procedures [with those of partners] ■ Improve the relevance and synergy of centrally-funded research and projects. <ul style="list-style-type: none"> ■ Develop education sector strategy. <ul style="list-style-type: none"> ■ Explicit adoption of rights approach in DFID in Bangladesh ■ Strengthen our understanding of the centrality of human rights ■ Develop our capacity to consider the full range of economic, social, cultural, civil and political rights throughout the programme ■ Review how effectively we are addressing gender inequalities. ■ Monitor relevance of our use of resources to Bangladesh's achievement of the IDTs (including development of project-level indicators) ■ Assess progress against the strategic objectives of the CSP 	<ul style="list-style-type: none"> ■ Four grade A staff in core team (of 15) have undertaken Bangla immersion in rural contexts (SD) <ul style="list-style-type: none"> ■ Scoping work on social protection schemes carried out with SDD London to inform charlands programmes and feed into PRSP analysis (SD). ■ Recognition of potential for centrally-funded work (HPD) through ICDDR,B to expand knowledge base on relationship between health and poverty and inequalities in health to address HPSP equity and targeting concerns (Health). ■ Shift away from "hardware provision" to support to improved hygiene behaviour through centrally-funded CARE Sanitation and Family Education resource Project, leading to average 70% decrease in childhood diarrhoea prevalence amongst target households (IUDT). ■ Education sector strategy developed (2000-5). ■ Private sector strategy development in progress, linking up with the PRSP process (EED). ■ Gender equality strategy revised and disseminated (SD). ■ Education sector strategy informed by analysis of constraints on girls and women in accessing education rights. <ul style="list-style-type: none"> ■ Review of gender equality strategy implementation completed June 2001 (SD). ■ Gender review of livelihoods project completed to build capacity in this sector (SD). <ul style="list-style-type: none"> ■ Gender and poverty training carried out for DFID staff in 2001 (SD).

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