

CHRISTINE I. WALLICH
Country Director

February 9, 2005

Mr. Iqbal Uddin Ahmed Chowdhury
Secretary
Ministry of Fisheries and Livestock
Bhaban 6, Room 509
Bangladesh Secretariat
Dhaka

Dear Mr. Chowdhury:

***Bangladesh: Fourth Fisheries Project, Cr. 3276-BD
IDA-DFID Implementation Review – December 2004***

Attached please find the final aide memoire, which summarizes the findings of the recent review of the Fourth Fisheries Project, and the agreements reached with the Ministry of Fisheries and Livestock (MOFL), the Department of Fisheries (DOF) and the Bangladesh Water Development Board (BWDB).

The review indicates that overall implementation progress has been satisfactory since October 2003. However, at this time, sufficient progress has not yet been made for us to be certain that the development objectives of the project would be achieved. The mission has indicated that if the following milestones are reached it would suggest that the project is on its way to achieving its development objectives: (i) satisfactory performance of about 60% Community Based Organizations (CBOs), (ii) 30% of national demand for quality fish-seed being met through public-private collaboration; (iii) procurement of works on the coastal polders is finalized and construction is underway or completed; (iv) the National Fisheries Strategy (NFS) is finalized; and (v) DOF, following approval of the NFS, initiates a proposal for modification of the current Jalmohal leasing system for sustainability of community-based management program. As agreed during the wrap-up meeting, we would expect that the project team would take the necessary steps to accomplish the selected milestones by May/June 2005.

In addition, we will be interested to see the evaluation of the pilot alternate livelihood program being completed by end of June 2005 before the program is replicated in other areas from July 2005. I also understand that the Project Proformas (PPs) will require necessary revisions for smooth implementation of the program during the extended period, and MOFL, in the wrap-up meeting, has assured speedy processing for revision of the PPs, and close monitoring of the progress for satisfactory achievement of the project development objective.

Please get in touch with Mr. S.A.M. Rafiquzzaman if you have any queries or require any clarifications on the contents of the attached aide memoire or on this letter.

With kind regards,

Sincerely yours,



Christine I. Wallich
Country Director

Attachment

cc: Mr. Fazlur Rahman, Secretary, Planning Division, Ministry of Planning
Mr. Zakir Ahmed Khan, Secretary, Finance Division, Ministry of Finance
Mr. Md. Ismail Zabihullah, Secretary, ERD, Ministry of Finance
Mr. Abdul Aziz, Secretary, Ministry of Water Resources
Dr. Shoaib Ahmed, Secretary, Ministry of Environment & Forest
Mr. Mohammad Abdul Alim Khan, Secretary, Ministry of Land
Mr. Muhammad Abul Quashem, Secretary in-Charge, IMED, Ministry of Planning
Mr. S.A.S.M. Taifur Rahman, Division Chief (Agriculture), Planning Commission
Ms. Rokshana Begum, Director General (Agriculture), IMED, Ministry of Planning
Mr. Md. Nasir Uddin Ahmed, Director General, Department of Fisheries
Mr. Habib Ullah Majumdar, Acting Director General, BWDB
Mr. Md. Shahidul Hassan, Chief Engineer, LGED
Mr. Md. Shariful Islam Akanda, Project Coordinating Director, Fourth Fisheries Project
Mr. Md. Ali Akbar, Supdt. Engineer, BWBD O&M Circle, Khulna
Mr. Shyama Prashad Adhikari, Project Director, Aquaculture Development Project, LGED
Mr. Duncan King, Rural Livelihoods Program Adviser, DFID/FMS
Mr. Najir A. Khan, Program Support Officer (Rural Livelihood), DFID
Mr. Arne Andreasson, Team Leader, Fourth Fisheries Project-TA Team

**BANGLADESH
FOURTH FISHERIES PROJECT ¹**

**IDA-DFID Implementation Review Mission
November 29-December 15, 2004**

Aide Memoire

I. Introduction

1. An IDA and DFID Review Team², in collaboration with the Department of Fisheries (DOF) and the Bangladesh Water Development Board (BWDB), carried out an implementation review of the Fourth Fisheries Project (FFP) from November 29 to December 15, 2004. This Aide Memoire presents the Team's findings and recommendations; based on a review of progress reports, project documentation, and discussions with DOF, FFP, BWDB and Local Government Engineering Department (LGED) staff. A separate aide-memoire has been prepared for GEF-funded Aquatic Biodiversity Conservation Project, a companion of Fourth Fisheries Project. The draft aide-memoire was discussed with DOF on December 13 and in an inter-ministerial wrap-up meeting at the Ministry of Fisheries and Livestock (MOFL) on January 16, 2005.

2. The objective of the Mission was to assess the project implementation status, and to finalize the revised work plan for the extended project period, including the framework for monitoring and evaluation. This mission has further refined the revised set of performance indicators, which more accurately reflect project scope, aims and priorities as they had evolved since mid-term review in June 2002.

3. The findings and recommendations by the mission as presented in this document are subject to confirmation by the managements of IDA and DFID.

II. Overall Status and Key Project Data

4. **Overall:** Project implementation progress continues to be satisfactory, with only the shrimp component being held back by delays in commencing construction. At this point, the project is unsatisfactory in achieving the development objective. To become satisfactory, the project has to reach its targets in five critical areas: (i) about 60% Community Based Organizations (CBOs)³ are performing satisfactorily (para 11), (ii) 30% of national demand for quality fish-seed being met through public-private collaboration (para 34); (iii) procurement of works on the shrimp polders is finalized and construction is underway or completed (para 19);

¹ International Development Association (IDA) Credit No. 3276-BD. The project is co-financed by DFID [Grant No. PRC (99) 22] and Government of Bangladesh

² IDA: S.A.M. Rafiqzaman (Irrigation Engineer/Task Leader); Ronald D. Zweig (Aquaculturist); Burhanuddin Ahmed (Financial Management Specialist); Imtiaz U. Ahmad (Institutional Development Specialist/Consultant); T. K. Barua (Resettlement Specialist/Consultant); H. Aneja (Procurement Specialist/Consultant); and T. C. Sarker (Program Assistant).
DFID: Najir A. Khan, Amita Dey, Alan Brooks and Duncan King.

³ For the purpose of this project, CBOs include Fisheries Management/Polder/Block/Land-less Committees.

(iv) National Fisheries Strategy is finalized (Para 33); and (v) DOF initiates a proposal for modification of the current Jalmohal leasing system for sustainability of community-based management program (para 12). The key project and performance data are shown below:

Project Data		Project Performance Ratings		
<i>Board Approval</i>	: Jul.20, 1999	<i>Summary Ratings</i>	<i>Last</i>	<i>Now</i>
<i>Effectiveness Date</i>	Dec.02, 1999	Achievement of Project Dev. Objective	U	U
<i>Original Closing Date</i>	: Dec.31, 2004	Implementation Progress	S	S
<i>Revised Closing Date</i>	: Jun.30, 2006			
<i>Mid-Term Review (MTR) Date</i>	Jun.04, 2002			
<i>Original IDA Cr. Am</i>	SDR 20.6 million			
<i>Revised IDA Cr. Amt</i>	: SDR 14.6 million			
<i>Amount Disbursed [January 20, 2005]</i>	: SDR 7.6 million (52%)			
Ratings HS =Highly Satisfactory; S =Satisfactory; U =Unsatisfactory; HU =Highly Unsatisfactory; NA =Not Applicable; NR = Not Rated				

III. Achievement of Project Development Objectives

5. The project's Development Objective (PDO) is to support sustainable growth in, and equitable distribution of, the benefits generated from increased fish and shrimp production for domestic consumption and exports. In the previous Implementation Review (May 2004), the original Key Performance Indicators (KPIs) were revised and extended to assess more accurately the project's status and performance. These are summarized in the table below. Based on these revised KPIs, the development objectives are likely to be achieved by the end of the extended credit closing date of June 30, 2006.

6. Achievement and potential deliverables of KPIs are in the following table. [Some of the KPIs relevant to Aquatic Biodiversity Conservation Project have been shown in a similar table for the aide-memoire of that project.]

Key Performance Indicators (KPIs)	Current status (December 15, 2004)
KPI-01. Community management established in at least 50 sites under open water component, with sustainable methodologies established for production increase of 50%	Community Based Organizations (CBOs) ⁴ formed in 51 sites, of which 38 are performing satisfactorily or have the potential to perform satisfactorily at EoP with focused support.

⁴ For the purpose of this project, CBOs include Fisheries Management/Polder/Block/Land-less Committees.

Key Performance Indicators (KPIs)	Current status (December 15, 2004)
(original 100%) by end of project (EoP). *	Positive results (17% to 73% production increase in seven sample sites).
KPI-02. Clear definition of the role of moderately or extremely poor people ⁵ in target groups and an inclusive strategy established, delivering at least 50% (original 80%) of project benefits to them on a sustained basis by EoP. *	Current assessment suggests that at least 50% of project benefits are likely to accrue to the target group (in terms of fisher access to resources) in 31 water bodies. About 50% of the shrimp farmers belong to the small-holder groups, owning less than 1.5 acres, which includes 23% from extreme and moderate poor groups.
KPI-03. Forum for user-group management institutions for project oversight and decision-making established by year 1 and sustained to form DOF network for strategy and action plan development. *	Forums for users group management institutions have not been formally formed for initial purpose ⁶ , emerging stakeholder networks now have greater sectoral influence, and DOF network strategy groups now delivering well, with good range of stakeholder representation.
KPI-04. Effective strategy to supply quality seed from private /public collaboration which will meet at least 50% of national demands within 3 years after EoP using improved stocks supported by the utilization of renovated DOF facilities.	DOF has developed 21 fish farms as “brood banks” to take part in programs developed through Aquatic Project (GEF) ⁷ . Facilities established, improved brood stock being developed and stocked, supply network for better quality private sector supply; training and protocols need to be further improved; estimated 20% of national demand already being met. Management Plans for long-term genetic improvement of major Carps and Chinese Carps have been developed and approved by DOF.
KPI-05. Improved knowledge of key biodiversity issues associated with open water fisheries, aquaculture and hilsa fisheries defined, and brought into routine management strategies, and longer-term DOF capacity in place.	As part of the overall National Fisheries Strategy (NFS) development, GEF team members have formally contributed to the overall M&E, Inland, Shrimp, and Marine sector sub-strategies. Database has been created, which needs to be located with an appropriate “home” such as DOF and its capacity established, preferably within wider partnership with full use, monitoring and updating of data. Concerns remain regarding

⁵ Indicators based on a combination of land ownership; per capita annual income; and food deficit status [Re. Annex 1, Project Appraisal Document, The World Bank]. Daily calorie intake as one of the indicators was dropped at mid-term review.

⁶ Forums of community-based organizations have been established in four regions (northwest, north central, eastern and southern) in collaboration with three other projects: CBFM-2 (DFID), MACH (US Aid) and PBAEP (DANIDA).

⁷ Supported under a companion GEF-funded Aquatic Biodiversity Conservation Project (details in separate Aide Memoire issued concurrently).

Key Performance Indicators (KPIs)	Current status (December 15, 2004)
	the “mainstreaming” of key biodiversity issues by the Government.
KPI-06. Improved, environmentally sound small-holder shrimp production delivering 20% output gains in project polders by EoP. *	The community consultation process has succeeded to resolve land issues in selected polders. Procurement actions have progressed satisfactorily and construction is expected to commence by middle of December 2004. DOF and NGO staff has received training on participatory water management and improved shrimp farming.
KPI-07. Effective and inclusive aquaculture extension strategy established with partners, with sustained output increased by 50% in target communities of 200 <i>upazilas</i> by EoP. *	Aquaculture Extension component covers about 200,000 farmers in 8,000 villages under 211 <i>upzilas</i> . Assessment of 3600 fisheries villages has revealed that trainees’ average harvested yield is 3.88 t/ha, about 60% higher than that of untrained farmers.
KPI-08. Effective monitoring and evaluation systems for production, value and social impact in place, involving networks of DOF, community and NGO staff	Impact studies for fisher/fish-farmer are making good progress. PRAs for Open water and Aquaculture Extension and Training (AET) completed and analyzed. Base line surveys of shrimp polders have been completed. Despite initial delays, there has been good progress in establishing a computer network linking 64 districts with HQ. MIS is under development and wide levels of training have greatly improved capacity.
KPI-09. Sub-sectoral strategies developed through DOF-led consultative processes and linked towards National Fisheries Strategy and action plan, with associated capacity building within DOF	Aquaculture Extension Strategy and its Action Plan have been developed and submitted to the DG, DOF. Good progress has been made in preparing remaining seven sub-sectoral strategies ⁸ with delivery expected by January 2005. Draft National Fisheries Strategy is now planned for delivery by February 2005.
* <i>Original KPIs are with an asterisk mark. These have been slightly rephrased to be consistent with the individual component, and their targets (%) have been scaled down for serial nos.1 and 2.</i>	

⁸ Eight sub sector-strategies are: open water, marine, shrimp, aquaculture, extension, human resources development, quality control, and monitoring & evaluation.

IV. Implementation Status, Issues and Agreed Actions

7. The project is at the end of its 5th year. The overall project implementation progress since Feb 2004 in all five components has been positive. At the request of the Government of Bangladesh, IDA Credit closing date has been extended by up to June 30, 2006 for selected activities under Inland Open Water, Shrimp Aquaculture and Institutional Development components. DFID Grant has been extended till end of June 2005. The status of each of the actions, agreed with February 2004 Review Mission is in Annex 1.

Inland Open Water Fisheries [see details in Annex 4]

8. This component includes fisheries management and enhancement interventions through closed seasons, gear restrictions, stocking of fingerlings in floodplains, establishment of aquatic sanctuaries and aquatic habitat restoration (re-excavation of canals and floodplains). Fisheries Management Committees (FMCs)/Community Based Organizations (CBOs) are to be developed as the means for community based management of the resources.

9. *Current Status:* The project has supported establishment of CBOs in 51 water bodies⁹, of which 31 are performing satisfactorily in terms of poor fishers taking decisions on management and maintaining access rights. The CBOs in another 7 water bodies have the potential, but still need considerable support by DOF and NGOs to overcome local social or organizational problems. NGO support was withdrawn from nine water bodies that were not found having any potential for sustainability. In addition, NGO support will be withdrawn from four sites at the end of December 2004.

10. As part of the project's continuous monitoring of social issues, Beneficiary Impact Monitoring Program of the Open Water Fisheries Component (OWFC) completed 12 BIM studies and a survey of 12 additional sites using a questionnaire (4 stocking, 4 sanctuaries and 4 controls, or non-project supported water bodies) reinforcing the earlier overall assessment of considerable site to site variability due to numerable factors, inter alia, size and complexity of the water body (system), timing and valuation of lease of water body, influence of elites and local factions, and quality and timing of NGO's involvement. There is considerable variation between project sites in terms of awareness, participation and sense of project ownership. Also, there does not seem to have been a widespread improvement in access to the project water bodies among the respondents, as anticipated within the original project design/objectives. However, on a positive note, it is clear from the great majority of responses that professional fishers consider that the project has resulted in increases in catch and income but that these changes are only marginal. In seven sample sites, production has increased ranging from 17% to 73%.

Issues and Recommended/Agreed Actions

11. NGO and DoF Support to Weak FMCs/CBOs.

⁹ Total project water bodies are 51, of which one (BSKB, 6000 ha) has been divided into four for better management. In addition, 5 water bodies as part of establishment of fish-passes and fish-friendly regulators were taken up and subsequently dropped.

- (a) The practice of categorizing¹⁰ sites under specific criteria has proved very useful for making management decisions as well as also become important to CBO members who are keen to maintain a high category rating for esteem and status. At this point, 31 sites (58%) have been rated as category 1 and 2 combined compared to 29 sites in May 2004. There remain 7 sites in category 3 and 15 sites in category 4. It was agreed that the project team will coordinate its efforts to ensure that about 60% Community Based Organizations (CBOs) are performing satisfactorily.
- (b) Given the substantial project investment to date and the potential for Category 3 water bodies to improve their status, maximum effort through a detailed work plan for NGOs/CBOs is recommended to address some of the more serious issues affecting status. It is recommended that the plan include clear verifiable indicators for DOF, NGOs and CBOs.
- (c) For nine category 4 sites, NGO support has mainly been withdrawn due to social issues. At present no decision has been taken in DOF to withdraw support from any site even withdrawing from the worst performing category 4 site. Presently, the DOF Upazila/District staff has MoUs, which detail their engagement with NGOs and CBOs. It is recommended that in order to deliver on the MoU, additional ToRs for Upazila Fisheries Officer be drafted and performance monitored regularly.

12. Lease Term of Jalmohals (government-owned water bodies): Thirteen of the water bodies are under lease and the CBOs have to pay annual lease. As required under the project, the administration of these jalmohals was transferred from the Ministry of Land to MOFL (represented by DOF) for an initial period of seven to ten years, but to be renewed every three years. There are three pending issues that have been partially resolved: (a) renewal of MOU for handover of several water bodies (number ..), which will expire on April 13, 2005, (b) problems with increases in lease values consistent with the productivity of the water body, and (c) problems with the timing of lease payments. While the Government has made some adjustments in the lease valuation (dropped 10% increase every year with the provision for revising it after five years) and CBOs have made informal arrangements with the District Commissioners for deferred payments, the mission *stresses* that MOFL and DOF make further efforts, including formal measures, to address the issues regarding sustainability of the community based management programs. DOF assured that measures would be initiated after approval of the NFS in June 2005.

13. Operational Funding Support to Sanctuary CBOs. DOF plans to continue operational support (for operation and maintenance of low cost structures and brush piles) to CBOs engaged in sanctuary development programs. The mission *stresses* that such support would generate dependency and result in lack of self-reliance. Instead, the mission strongly recommends that NGOs should continue their support to build the necessary capacity for self-reliance through promoting good fiscal (savings, bookkeeping etc.) practices and group management techniques (promoting mutual trust, well-defined roles and responsibility, participation, democratic values etc.).

¹⁰ Categorization of water bodies under specific criteria (scale .of 1 to 4). For details, see Table 2 in Annex 4

14. Long Term Sustainability. Sustaining effective oversight of water body management will depend on DOF's commitment to implementing an inland open water sub-sector strategy and action plan. The present trends indicated by projects proposed by DoF to MoFL, which do not complement systems developed by FFP and CBFM2 and reflected in the strategy, are a cause for concern (e.g. 'Habitat restoration of inland open water fisheries', 'Fisheries resources development in small-scale water bodies' and 'Stocking of fish fingerling in semi-closed and open waters to increase production from inland fisheries', 'Floodplain Aquaculture Project'). *The mission recommends that future projects be consistent with the objectives of the inland water strategy.*

15. Documentation and Dissemination of Lessons. The project has generated a considerable amount of interest and imparted skills and knowledge to many NGOs and DoF officers relating to the management of open water fishery systems. It is important that this momentum is maintained through strategy development, mainstreaming activities and useful documentation. *For the latter, the review team endorses the project plan to capture the important lessons from this component, undertake a synthesis of results and data with causal links, identify key factors and recommendations for good practice to produce easy to read booklets or similar publications.*

Coastal Shrimp Aquaculture [see details in Annex 5]

16. **Current Status:** The relevant performance indicators include improved, environmentally sound and smallholder production delivering 20% output gains in the four polders in two years after completion of the rehabilitation works. The project has assisted the polder communities through local NGOs to organize themselves into 60 Block Committees (BCs) and four Polder Committees (PCs). Four polder-wide Landless Committees (LCs) have also been formed to represent the landless peoples. These community based organizations (CBOs), assisted by the NGOs, have carried out consultations to identify water management issues in shrimp and paddy production, assess status of the existing water management infrastructure and suggest appropriate rehabilitation needs and alternatives.

17. With the decision to drop the construction of fish-structures under the open-water component, land issues presently relate only to the four shrimp polders. In all, 88 canals will be developed this season, of which 64 existing canals will be re-excavated and 24 excavated anew. Together, they require a total of 521.42 acres of land: 461.44 acres for the existing and 59.97 for the new canals. Of the total, 395.44 acres (76%) are khas land in the existing canals and embankments. The remaining 125.94 acres (24%) of private lands will be used under a rental arrangement called *haari*. The arrangement would remain in force for as long as the lands remain in use in the canals. The acquisition process is ongoing, but it is unlikely to be completed during this construction season. Considering the functional linkage between the canals and sluices and, most of all, the eagerness of the beneficiaries to have them built this season, the CBOs agreed to make the lands available through an interim *haari*. The arrangement would remain valid until the landowners are paid all their compensations for the acquired lands. Arrangements in this regard are underway in all four polders and so far, *haari* agreements have been concluded for three polders (Polder Nos. 31, 32 and 23).

18. The physical works in each polder have been packaged into three contracts: (i) excavation/re-excavation of canals and repair of the embankments; (ii) repairs of the existing sluices; and (iii) construction of new sluices. Procurement actions have progressed satisfactorily:

nine of the 12 contracts have been awarded and the rest are expected to be awarded by early-December. Preparations for taking up the physical works is also progressing well. Construction works has commenced from December 2004 and some is expected to be completed by June 2005. All rehabilitation work is now expected to be completed by the extended closing date i.e. June 2006.

19. **Issues and Recommended/Agreed Actions:** Following actions have been agreed with the implementing agencies:

- a) *For each polder, a MOU between the PC and BWDB and DOF is to be signed with clear terms of references which, among others issues, will specify general oversight role of the PC during excavation/construction, followed by a joint walk through upon completion. BWDB will share the copies of the MOUs with the Bank.*
- b) *For each block: copies of haari agreements executed between the leaseholders of khas and owners of private lands that would be used for excavation and re-excavation of the canals will be shared with the Bank. If included in the current work package, this also applies to Harikhal and Soladana khals*
- c) *For each sluice: Copies of the interim haari agreements concluded between the Polder and Block Committees and the landowners will be shared with the Bank.*
- d) *BWDB awards remaining three contracts by early-January 2005 and share a copy of all the contracts with PCs.*
- e) *BWDB and DOF, in association of the NGOs, will organize and conduct training for all CBO members in (i) O&M of the physical facilities in each polder, and (ii) better water management practices.*

20. **BWDB's Project Proforma and Supervision Consultant's Contract:** BWDB's approved Project Proforma will require amendment to reflect the time extension and changes in the scope and implementation arrangements, particularly the aspects of participatory water management. At the same time, the consultant's contract will need to be extended up to June 2006. (see para 45 on NGO contracts)

- a) *BWDB will initiate revision of the Project Proforma reflecting the changes, and follow through its approval preferably by end-March 2005.*
- b) *BWDB amends the Supervision Consultant's contract to cover the revised timetable.*

Aquaculture Extension and Training [see details in Annex 6]

21. **Current Status:** This component continues to maintain good progress. Average fish production has increased with 60% with 60% for first two batches of farmers trained and 40% for the third batch. The target was 50% increase in production. Assessment of 3600 fisheries villages, out of total 8000, has revealed that trainees' average harvested yield is 3.88 t/ha, about 60% higher than that of untrained farmers.

22. Poverty targeting has improved in more recent batches of Fishery Village farmer groups as the concept became more clearly understood over time but overall only 9% of the trainees may be categorized as extreme poor to moderately poor. However, poverty targeting improved in the 4th batch (worst 40% and best 88% of group members defined as poor). The mission has suggested that, for better poverty targeting, DOF profile the pond farmers in agro-ecological zones in the country with available project datasets and documentation from other projects. Gender targeting was slightly underachieved by a few percent (target, 25 %), but has increased every successive year of the project. DOF has conducted a Gender Evaluation study to analyze to what extent female staff of DOF is able to perform effectively in aquaculture extension and to identify factors that limit their performance. The study has recommended short term and medium term actions for DOF to reduce or remove constraints. For in-country training and exchange visits, 83% of targeted number of trainees has been achieved.

23. Good progress has also been made by the project in the design and setting up of the Local Extension Agents for Fisheries (a local agent, LEAF, is selected/elected by the group members of a Fisheries Village and work in collaboration with and under general guidance of the Upazila Fisheries Officer as an extension agent). The approach is being piloted in 30 Upazillas. Manuals have been prepared and DOF officers have been trained. The mission visits suggest that the program is successful in the areas visited.

Issues and Recommended/Agreed Actions:

24. Exit Plan. The extension program's exit plan which started at the end of 2003 consisting of: i) quarterly visits to the groups by Extension staff, ii) Team Leaders of Fishery Village groups participation in bimonthly meetings at the DOF Upazila office, and iii) book keeping of pond records by CBOs is not progressing satisfactorily under the management of DOF's Extension Cell. No concrete data is available for analysis and validation. There is a disconnect between the Extension Cell and the FFP Aquaculture Extension and Training (AET) Unit regarding implementation of the exit plan. It is recommended that a clearer assessment of exit plan progress should be documented by FFP with recommendations for improved delivery that should be in line with the aquaculture extension strategy.

25. Gender Targeting: The analyses focused on quantitative aspects such as increased income, fish production and consumption and savings. However, qualitative issues relating to work load, social capital, empowerment and overall well-being were not considered. DOF reported that such a qualitative analysis has been initiated and will be shared with DFID/IDA.

26. Training: While good quality training materials have been developed and the planned training has been completed, the impact of the program is weakened as the focus has been on "numbers trained" rather than an evaluation of performance from newly acquired skills and knowledge. The mission endorses the project's plan to include qualitative aspects in future evaluations, as reflected in DOF's draft training strategy paper.

27. Local Extension Agent for Fisheries (LEAF). While the mission visits suggest that the program is operating successfully, overall, the progress is unclear due to the existence of no

collated data/information regarding implementation progress or monitoring. Approximately two thirds of feedback forms (monthly progress reports) expected from the Upazila Fisheries Officers have been returned to the DOF Head-quarter Extension Cell but instead of collating this information these have been sent to the AET component for analysis and compilation. Also LEAF profile data has been handed over to AET.

28. To ensure that the LEAF program is fully assessed and lessons extracted for future planning, it was agreed that, upon the completion of one cycle of LEAF in December 2005, DOF would organize an independent impact assessment study. This study should also include a detailed analysis of DoF support for LEAF both at the headquarter and Upazila level.

Institutional Strengthening [see details in Annex7]

29. **Current Status:** Since the last review, DOF continues to make good progress in the preparation of the eight sub-sector strategies that will contribute to the formulation of the National Fisheries Strategy (NFS), which in turn will provide a framework for implementing the National Fisheries Policy¹¹. The sub-sector strategies are now at various stages of preparation and review. DOF expects MOFL's clearance of the NFS by February 2005, and approval at the appropriate level of the Government by June 2005 (see Annex 7).

Issues and Recommended/Agreed Actions

30. **Process:** While the mission is pleased that DOF remains committed to preparing the strategies in a participatory manner, there is a need for wider dissemination of the draft strategies and consideration of the feed back from various stakeholders. The posting of the drafts in the DOF's website (www.fisheries.gov.bd) is a step in that direction, but it needs wider publicity and regular updating. The mission suggests that DOF make public announcements regarding the new website and encourage responses.

31. **Substance:** Overall, the strategies are comprehensive and provide a good technical coverage. The strategies, however, generally present a long list of strategic elements without any prioritization and sequencing of activities. The strategies also do not discuss the risks involved in implementation and measures to mitigate those. Given funding and staffing constraints, it will be useful to classify the elements under short-term, medium-term and long-term arrangements and highlight the associated risks. Further, as some of the strategic elements are very broad in nature, it will be essential to spell those out clearly and then highlight how those will be implemented. DOF **explained** and the mission **agreed** that prioritization and other issues raised would be reflected in the action plans of individual strategies and summarized in the NFS.

32. In terms of comments on the appropriateness of individual strategies, the mission sought clarification on the title of the Human Resources Development Strategy (HRDS), since the thrust of the strategy is on enhancing the training system in DOF, which is only a part of the overall HRD system. While the strategic elements related to training, as currently reflected in the HRDS,

¹¹ The strategies are: aquaculture extension, marine, monitoring and evaluation, shrimp, inland capture, human resources development, quality control, and aquaculture.

appear to be sound, DOF needs to prepare a comprehensive HRD strategy that should facilitate implementation of the various sub-sector strategies. The HRD strategy needs to be based on an analysis of DOF's future organizational structure, including functions and procedures that should be consistent with the sectoral policy and strategy. It also needs to highlight issues and measures, both within and outside DOF's jurisdiction. DOF clarified that the HRD strategy focused on training aspects, as they had to comply with a government directive to all agencies to prepare a training policy and strategy.

33. It was also agreed that, when drafting the NFS and the related action plans, DOF would focus on developing and presenting to the government a fisheries development framework that would take into account the linkages/synergies among the following related factors (a) implementation of PRSP priorities and fisheries sector's contribution through a select number of programs/activities, and (b) inclusion of projects/programs in the governments' next three-year rolling plan that is consistent with sub-sector priorities and actions and is based on lessons learnt under the ongoing Fourth Fisheries Project, including possible adoption of a programmatic (budget support) approach. Finally, it was agreed that the MOFL would coordinate the implementation of the NFS with other agencies and institutions, including NGOs, taking responsibilities for activities that fall within their mandate.

34. **Infrastructure Support to DOF and Improved Seed for Aquaculture:** The civil works program includes construction of 10 District Fisheries Offices (DFOs), rehabilitation of 20 Fisheries Extension and Training Centers (FETCs) and 2 Regional Training Centers (RTCs). As of December 2004, all have been constructed/rehabilitated. In addition, rehabilitation of seven flood damaged FETCs was undertaken by DOF, which have reportedly been completed.

Under GEF-funded Aquatic Biodiversity Conservation Project, training was imparted in improved fish broodstock management for private hatchery; sex reversal of common carp; short-term maintenance of fish sperm for transport to hatcheries using ice; and the preparation of a long-term preservation techniques using cryopreservation techniques. The project developed a detailed 10-year management and breeding plan for the improvement and maintenance of brood stocks at the 21 GOB fish seed farms designated as "Brood Banks". These activities should be well coordinated to meet at least 50% of national demand within 3 years after end of project. It is estimated that 20% of national demand already being met. *The mission recommended and DOF agreed to achieve a target of about 30% quality fish seed from private/public collaboration by June 2005.*

Alternative Livelihood Pilot Program [see details in Annex 8]

35. **Current Status:** The Alternative Livelihood Pilot Program focuses on implementing pilot activities with people who depend upon fishing for a livelihood but cannot earn enough from fishing to sustain themselves or their families.

36. The program is implemented by two partner organisations Action Aid (AA) (and its local partner NGOs, PNGOs) and BRAC. Pilot activities have been underway since August 2004 in three shrimp polders and at seven of the open water bodies where the project has ongoing

activities under the Open Water Component. Both AA and BRAC have made good progress in group formation and poverty targeting. The two NGOs have adopted differing strategies. AA has adopted an approach, which offers a capital grant managed entirely by the group. The idea is that the groups will be able to pay off all debts, purchase capital equipment and after receiving training and follow-up mentoring from the PNGOs, group members will become self-reliant and be able to pursue diverse livelihood options. The BRAC approach targets individual households and does not provide a capital grant to break free of debts and money-lenders, but instead comprises a special investment program, employment and enterprise development training, social development and essential health care.

Issues & Recommended/Agreed Actions

37. The approach taken by AA is new in that full debt relief is catered for before capacity building and group empowerment is initiated. Because it is a new approach there will be a risk and possible unforeseen outcomes. The BRAC approach is less risky in that it does not provide immediate debt relief but adopts a longer process of promoting self-reliance. Any strategy involving the provision of free inputs and enterprise development may attract undesirable elements within any community. Strategies and tact adopted by the partner NGOs will be crucial to mitigating interferences from outside the groups.

38. Approach, design and targeting are good except aforementioned caveats but the capacity of partner NGOs and BRAC field staff to deliver on program outputs is unknown. It is recommended that FFP/AA/BRAC undertake an evaluation of progress, at the end of phase 1 planned for May 2005, with particular emphasis on livelihood impact, capacity of partner NGOs to deliver on objectives, capacity to scale-up if relevant, and the group members' relationship with FMCs and the fishery i.e. how many beneficiaries in the groups were affected due to restricted access.

39. It is also recommended that TA team and NGOs develop a strategic plan to capture and share lessons from the Alternative Livelihood Pilot Program. It is important for Action Aid and BRAC to further develop their monitoring systems using standardized livelihood indicators. The key findings will be important for both future funding and support, not only to these initiatives but also to integrate livelihoods activities into the planning of other programs working with the hardcore poor, which strive to empowering the groups and diversify their member's livelihood options.

V. Work Program from January 2005 to June 2006 and 2004 Floods Recovery Plan

Extended Work Program

40. *Work Program:* The project's original development objective remains same to support sustainable growth in, and equitable distribution of, the benefits generated from increased fish and shrimp production for domestic consumption and exports. Based on the general agreement on the component activities with the May 2004 Review Mission, further discussions were carried out with the DOF, BWDB and MOFLF to finalize the work program for the extended period

including its implementation arrangements (details in Annex 3). The activities during the extended period include provisions for inputs by hilsa and Genetic biodiversity specialists and support to DOF's FRSS.

41. *Implementation Arrangement and Budget* Existing implementation arrangements should continue for the extended period. Main implementing agencies are the Department of Fisheries and BWDB, supported by NGOs for the promotion of community management and implementation of strategies for alternative income generation. Monitoring and evaluation of the work will be undertaken by these agencies, including the NGOs. From July 2005, a consultancy group will be contracted for coordination, networking and liaison between parties and the monitoring and evaluation functions. To maintain the current momentum and continuity, the existing consulting firms and NGOs may be hired by the Government on a single-source basis under IDA funding for the period from July 2005 to June 2006. The organization will employ one international (12 months), M&E short-term international (2 months) and two full time national consultants (24 months) plus a provision of 6 months for short-term unidentified national consultants located in the Department of Fisheries, to support the implementation process, monitoring and evaluation and documentation of lessons learnt to further develop strategies. DOF has also requested for consultancy support on genetic development and hilsa management aspects. Detailed Activity Plan, Time-table and staffing plan are in Annex 3.

42. The mission has reviewed the tentative budget prepared earlier and revised it further in the light of the work plan for the extended period. The amount for consultancy services, NGO support and livelihood program has increased from the earlier estimate of US\$2,050,000 to US\$2,885,000 because of additional resources needed to address DOF's request to consolidate the gains made so far. The breakdown of the cost by activity is in Annex 3. In addition, the estimated saving of US\$2.00 million will be re-allocated for 2004 flood recovery assistance program (see para 44)

2004 Floods Recovery Assistance Program

43. Rehabilitation of public sector facilities in agricultural, fisheries and livestock sector has been assessed to be about US\$5.5 million, of which the ADB-WB joint mission identified flood recovery program for an amount of US\$0.35 million under fisheries sector as shown below. The joint mission suggested tentative allocation for fisheries sector as: (a) DOF fish-farms, US\$0.10 million and (b) Bangladesh Fisheries Research Institute (BFRI), research facility, US\$0.25 million. In response to GOB request, the Bank has agreed to reallocate estimated savings of US\$2.0 millions from this Credit for fisheries and livestock sector under flood recovery program.

44. MOFL has subsequently forwarded to the Bank a revised flood recovery plan at a cost of US\$3.90 million on December 28, 2004, which includes Department of Fisheries (DOF) – US\$2.00 m, Bangladesh Fisheries Research Institute (BFRI)-US\$0.25 m and Department of Livestock Services (DLS) – US\$1.65 m. To remain within the available amount, MOFL in its letter dated January 5, 2005 has requested ERD to approach the Bank to cover Livestock Department and Fisheries Research Institute's recovery needs under the World Bank's floods 2004 recovery assistance against "budget support". Therefore, the savings of US\$2.00 million

from the IDA Credit, will now be available only for rehabilitation of about 31 DOF fish-farms. The existing Project Coordination Unit (PCU) in DOF will implement the program through the Special Account operated by the Project Coordinating Director (PCD). All procurement will follow the Bank's guidelines.

45. ***DOF's Project Proforma, Supervision Consultant and NGO Contracts:*** DOF's approved Project Proforma will require amendment to reflect the time extension and changes in the scope including floods 2004 rehabilitation works and implementation arrangements. At the same time, the contracts with the consultant and NGOs will require extension up to June 2006.

- a) *DOF will initiate revision of the Project Proforma (PP) reflecting the changes, and submit it to the MOFL by January 31, 2005. Later, DOF will follow through its approval preferably by end-March 2005. In the wrap up meeting, it was agreed that DOF will submit the revised PP within two weeks.*
- b) *DOF amends the Supervision Consultant's contract to cover the revised timetable.*
- c) *DOF approves extension of NGO contracts with its main consultant up to May/June 2006.*

Procurement, Disbursement and Financial Management

46. **Procurement** The mission observed delays in processing of contracts awards and advised that award of contracts must be decided within the original bid validity period and where extension of bids becomes unavoidable, DOF should seek IDA's prior concurrence, if it is longer than 8 weeks and for all subsequent requests for extension, irrespective of the period.

47. The mission observed that some of the bid evaluation reports recently received have been found to be lacking in certain important information, such as, evaluation of bids for stated qualification requirements. To facilitate review by IDA, the bid evaluation report should clearly bring out the information preferably in tabular form giving clause no. of the bidding document, required qualification requirements, offered by the bidder and whether bidder meets the requirements.

Disbursement and Financial Management:

48. Disbursement has been lagging due to slow pace of implementation. As of November 30, 2004 an amount of SDR 7.3 million (US\$9.85 million equivalent) or about 50% of the revised IDA Credit amount has been disbursed. DOF-BWDB's disbursement projection up to June 30, 2006, shows a saving of about SDR1.50 million (US\$2.0 million).

49. **Accounting system and reporting:** Project Monitoring Reports (PMRs) were received mostly on time following the implementation of computerized accounting system, barring a few defaults initially. PMRs were reviewed and comments provided to the project where inconsistencies and scope for improvement were noted. The project responded proactively by incorporating the corrections/ improvements in the following period's PMRs. The mission noted that for the operation of computerized accounting system and producing PMRs and other

financial reports, the project is substantially dependent on the sole expertise of the DFID funded Financial Adviser whose tenure of employment is set to expire in March 2005. PCD and DOF will have to make an effective and workable arrangement to transfer the know how to the accounting personnel to carry it out to the end of June 2006.

50. **Financial Audit:** Audited financial statements for FY 2000 to FY 2003 were received within the due dates and that for FY 2004 is set for timely submission, having already completed the audit. In total 38 observation were made by the auditor, of which 13 have been settled and 25 remain outstanding.

51. IDA reviewed the audit observations for FY 2003 that were mostly related to observance of government procedures and not material to IDA. The mission however noted that the PCD, DOF and MOFL need to assign higher priorities to audit issues in taking more proactive and timely steps in resolving the outstanding observations and to prevent recurrence of irregularities observed in the audit reports.

52. **Performance Audit:** A private audit firm has recently completed the second performance audit of the project and has submitted its draft report. IDA is reviewing the draft and would discuss the relevant issues with DOF and the Auditors soon.

53. **Amendment to the Schedule 1 to the DCA:** Based on the recommendation of May 2004 review mission, the closing date has been extended to June 30, 2006 on a selective basis. The mission had detailed discussions on the work program during the extended period. In addition, the Bank management has agreed to reallocate US\$2.0 million for floods 2004 recovery program. Meanwhile, the Government has proposed amendment to the Schedule 1 to the Development Credit Agreement [Re. ERD's letter dated December 21, 2004]. The mission has reviewed the proposed amendments, which include three new sub-categories on NGO services, livelihood support program, and training/workshop; and allocation of US\$2.0 million equivalent for 2004-Floods Recovery Program. Based on the outcome of the inter-ministerial wrap up meeting, Bank Task Team will initiate the proposal for amending the DCA (Annex 9).

VI. Proposed Timing of Next Implementation Review

54. **Next Implementation Review:** The next implementation review has tentatively been planned in May/June 2005.

Annexes:

Annex 1: Progress on previously Agreed Actions

Annex 2: Agreed Key Actions–December 2004

Annex 3: Work Program for the Extended Period

Annex 4: Inland Open Water Component

Annex 5: Shrimp Aquaculture Component – water management & land issues

Annex 6: Aquaculture Extension and Training Component

Annex7: Status of National Fisheries Strategy

Annex 8: Alternative Livelihood Pilot Program

Annex 9: Revised Schedule 1 to the DCA - Draft

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Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Annex 1: Progress on actions agreed with February/May 2004 Review Mission

Project Component	Issue	Action	By Whom	When	Status
Inland Open Water	FMC-Structure and operation	<p>Program of support for succeeding FMCs beyond FFP; including objectives that</p> <ul style="list-style-type: none"> i FMC registration ii subject to satisfactory performance, FMCs are able to lease water bodies directly from MOL; iii FMCs supported by local beneficent influentials identified through studies of local power structures; and iv training in AIGAs is provided where appropriate 	FFP/DOF	Sep'04	<p>FFP has prepared a program for support to FMCs; also a strategy for CBO sustainability</p> <ul style="list-style-type: none"> i. 24 FMCs, out of total 51, have been registered. Some were delayed as all constitutions and by laws were reviewed and in most cases recommendations were made for changes to overcome potential loopholes. Revisions underway, and needs continued supervision/monitoring from TA/DoF to see that the registrations and constitutions are appropriate. ii. DOF requested registered FMCs to be guaranteed access for duration of MOU between MOL and MOFL. Mechanism for registered FMCs to keep access after 10 years period has been included in Open Water Fisheries Strateg. The strategy will be submitted to MOFL for approval iii. Methodology to identify local beneficent/champions developed and power structure analysis with fishers made in 20 sites. Remaining sites that will continue with project support in 2005 to be completed with NGO facilitation by FFP. iv. Methodology of AIGA activities developed. Training to be provided under capacity building (see below).

Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Annex 1: Progress on actions agreed with February/May 2004 Review Mission

Project Component	Issue	Action	By Whom	When	Status
	FMC categorization and capacity building	Revise FMC categorization to develop more targeted approaches; Strategy for developing capacity of FMCs (registration, conflict resolution, consensus-us building and catch monitoring for FMC's own management purposes); incorporate these into OWF strategy	FFP/ DOF MOFL/ MOL	Categories: April '04 Capacity and strategy set out/activated: Jul'04	Semi detailed " Rapid Strategic Assessments" of 18 sites conducted in June-September and reports prepared. Review visits conducted to a further 26 sites during October-November 2004. Based on this data base prepared and revised categorization made. Details: 15 sites in category-1, 15 sites in category-2, 8 sites in category-3 and 6 sites in category-4. NGO support has been terminated in 9 sites in which further NGO support was not believed to contribute to improvements in performance. Strategy for developing CBO sustainability beyond end of project (EoP) has been formulated. Registration is ongoing. Training in key areas such as consents building and conflict resolution planned for December-January for those NGO staff and then CBOs that will continue in early 2005.
	*Construction of fish-structures	Final decision regarding fish structures - contingent on extension of IDA credit for FFP beyond Dec '04	WB	May '04	Decided in May to drop, some reviews of sites and CBFM activities to date made but difficult to support non-structure base management given the expectations created earlier in BWDB and locally. NGO already withdrawn from the five sites.
	Lease payment schedules	Assess impact of early lease payments, possible credit instruments; support OWF sub-component strategy to defer lease payment from April to November.	FFP/ DOF	Jun'04	Installment payment of leased as well as rationalization and reduction in leases included in Inland Capture Fisheries Strategy. Proposal also made direct to MoL but no decision yet. Pursuance is going on.
	Operational guidelines – training for DOF staff	Support to DOF field staff in interpreting OWFC operational guidelines at regular coordination meetings and training workshops.	FFP/ DOF	Urgent	Seven partnership development workshop held. Other Community Based Fisheries Management (CBFM) training for DOF staff have been planned as per schedule of in-country training calendar.
	Stocking and production data	Support ongoing collection and analysis of production data, develop protocols for data analysis and use	FFP/ DOF	Jun'04	Data collection and analysis ongoing, report on all sites due in Oct 04, future systems being developed. FRSS is reviewing how it can incorporate Catch Assessment Survey (CAS). CAS carried out by DoF from November 2004. Data for July 2003 to June 2004 available for 50 sites.

Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Annex 1: Progress on actions agreed with February/May 2004 Review Mission

Project Component	Issue	Action	By Whom	When	Status
	Sanctuaries– M & E	Monitor and evaluate experience with sanctuaries (using participatory and other methods)	FFP/DOF	Oct'04	GEF component made focus group based assessments of six sanctuary sites. Participant monitoring/assessment for local management planned to be tested in 2005 involving FMCs and local DoF staff.
	*Linkages with similar programs and lesson sharing	Develop linkages and share approaches /experience with other open water fisheries projects (e.g. CBFM2). Evidence and document on lessons learned from OWF component for sharing with wetlands networks, CBFM2 and other DoF projects.	FFP	Apr'04 Document Jun'04 (1 st draft) Sep'04 (final)	Linkage development ongoing through strategy development, wetlands network etc. Workshop jointly with MACH on lessons learned and strategy-action plan proposed for first quarter of 2005. Documents in progress: guidelines on cost-effective equity targeted OWFM, lessons on NGO and CBO issues, lessons on technical interventions.
Coastal Shrimp Aquaculture	*Shrimp polder - rehabilitation	Final decision regarding shrimp polder rehabilitation contingent upon extension of IDA credit for FFP beyond Dec '04	WB	May'04	Credit closing date extended to June 2006. The IDA team visited polders in November 2004 to see status of resolving land issues and agreements between the CBOs and BWDB/DOF covering various implementation issues and O&M. Procurement actions are almost over – 8 out of 12 contracts have already been awarded and the remaining three likely by end December. MOU between Polder Committee and BWDB; and rental/ <i>haari</i> arrangement for BWDB regulator sites are pending.
	*Linkages with similar program	Initiate linkages with other coastal zone management/ coastal aquaculture projects.	FFP	Apr'04	FFP has established formal and informal linkages with a number of similar projects and organizations including IPSWAM, Shrimp Foundation, BFFEA, SHAB, ATDP, BCAS, ICZM, and GNAEP etc.
	AIGAs	NGOs to provide Alternative Income generating Activities (AIGAs) training and make suggestions about linkages to other sources of credit for affected communities within inside and outside the polder	FFP/DOF	Jul'04	Action Aid contracted to initiate AIGA training and other livelihoods support to the target households (fry collectors and other poor) in polders Shyamnagar and Dakope Upazillas covering polders 5, 31 and 32. Action Aid has selected local partner NGO (Uttaran) for Shyamnagar and field activity has started there. For Dakope Upzila, the contract with the NGO was delayed , but was concluded and activities initiated in December 2004.

Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Annex 1: Progress on actions agreed with February/May 2004 Review Mission

Project Component	Issue	Action	By Whom	When	Status
Aquaculture Extension and Training	*Gender, poverty and impacts	a) Finalize plans for/run female extension staff workshop; b) provide participatory evaluation training for further analysis of AET impact on gender and poverty	FFP/DOF	(a) Apr'04 (b)(carry out by Jul '04) Sep'04	(a) Workshop held and report is finalized. (b) Participatory evaluation training for further analysis of AET impact on gender and poverty has been done. A PRA guideline was prepared and used in the training and subsequent field work.
	*Local Extension Agent for Fisheries (LEAF)	a) Amend LEAF piloting manual to address gender and poverty issues; b) Assess similar approaches in other sectors; develop strategy/costed overview to incorporate into future funding strategies	FFP/DOF	(a) Amend Mar'04 (b) Overview Jun'04	(a) With the AET initiative preparation of LEAF piloting manual, Upazilla teams briefing, training of selected/elected 90 LEAFs and giving them extension materials-all these have been completed by July 2004. Since then, the piloting activities on LEAF approach at the field level are being directed and supervised by DoF Extension Cell as part of exit plan of FFP. (b) The LEAF activities, as reported by DOF, have suffered significantly due to monsoon flooding during September-October 2004. LEAF has been incorporated in the draft investment programme for aquaculture.
	Aquaculture Investment Program	Feed experiences and lessons learned into strategy for investment in aquaculture development, to link with Action Plan	FFP/DOF	Sept '04	A draft investment program for aquaculture has been prepared.

Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Annex 1: Progress on actions agreed with February/May 2004 Review Mission

Project Component	Issue	Action	By Whom	When	Status
Institutional Development	Role of TA team	Commitment from DOF to ensure TA team concentrates for remainder of FFP on strategic issues and critical lessons learned, and not on implementation.	FFP/DOF	Urgent	The Director General and senior level staff are increasingly getting involved in the formulation of strategies.
	Strengthening M and E within DOF	Confirm with DOF arrangements for: (a) continuation of M and E work with DOF; (b) monitoring to include outcome and process monitoring	DOF/ MOFL	Mar'04/ July '04	(a) DOF institutional & resources requirements for M&E discussed in National Fisheries M&E Strategy (workshop April 04) and DOF M&E Action Plan. The M&E Action Plan will be finalized in March 2005. (b) Outcome monitoring strategy and institutional/resource requirements defined in M&E Strategy and Action Plan. Process monitoring needs defined in ongoing Management Information Systems development (workshop April 04, target for piloting revised systems June 04). MIS for process monitoring piloted; DoF staff training on MIS will start in December 2004.
	Individual TA work plan up to June 2005	Targeted work-plans/milestones for TA team; finalize work plan to June 2005	FFP/DOF	Mar '04 Jun'04	Completed and fully operational with options for Dec '04 or June '05
	Training policy	For DOF staff, including gender and poverty awareness, to be adopted	DOF	Jun'04	DOF has already developed one and being followed.
	*Fish Seed Multiplication Farms (carried over)	PCD to confirm rehabilitated FETCs/ fish seed farms being used only for intended purposes; submit operation plan for the 20 FETCs and 2 RTCs rehabilitated.	FFP	March '04	Operation plans of FETCs already prepared and submitted to World Bank.
	Sub component strategies and action plans (carried over)	Sub component strategies and action plans to be completed:	FFP/DOF	(see below)	
		Open Water Fisheries (strategy) (action plan)		June' 04 Sept ' 04.	Draft Strategy already prepared. Action Plan is expected to be finalized by January 31, 2005.
		Shrimp *(strategy) (action plan)		April' 04 June' 04	Draft Strategy already prepared. Action Plan is expected to be finalized by January 2005.

Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Annex 1: Progress on actions agreed with February/May 2004 Review Mission

Project Component	Issue	Action	By Whom	When	Status
	over)	Monitoring and Evaluation * (strategy) (action plan)		April' 04 June' 04	Draft Strategy already prepared in April 2004. Action Plan is expected to be finalized by December 31, 2004.
		Aquaculture * (strategy) (action plan)		April' 04 June' 04	Work in progress; expected to be prepared by January 2005. Action plan is expected to be prepared by February 2005.
	National Fisheries Strategy (carried over)	National Fisheries Strategy and action plans to be drafted and finalized	FFP/DOF	Aug04 (draft) Oct'04 (Final)	Draft is expected to be prepared by February 2005.

(*)The actions with (*) will require close monitoring and compliance before deadline

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**Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Agreed Key Actions**

Component/Issue	Action	By whom	When
<i>Inland Open Water</i>			
CBOs performances and NGO support (para 11a)*	The work plan includes clear verifiable indicators for DOF, NGOs and CBOs, so that about 38 CBOs continues to perform satisfactorily	FFP-CBOs-NGOs	January 31, 2005
Lease of Jalmohals for sustainable community-management program. (para 12)*	DOF would initiate measures to address leasing issues, following finalization of National Fisheries Strategy (NFS) by June 2005.	DOF-MOFL	June 2005
<i>Coastal Shrimp Aquaculture</i>			
MOU with Polder Committee (para 19a)	Conclude MOU with four the polder committees	BWDB-DOF	January 31, 2005
Award of contracts (para 19d)*	Complete award of remaining three contracts	BWDB	January 31, 2005
Amendment to the Consultant's contracts (para 20)	Finalize the amendments to the Consultant's contracts	BWDB and DOF	Immediate
BWDB's Project Proforma (para 20)	Revise Project Proforma to reflect the changes in scope and timeline.	BWDB-MOWR	March 31, 2005
<i>Aquaculture Extension and Training</i>			
Exit Plan (para 24)	A clearer assessment of progress on exit plan should be documented with recommendations	FFP/DOF	May 2005
Local Extension Agent for Fisheries-LEAF (para 27)	Independent assessment of the program	FFP/DOF	May 2005
Supply of fish seed (para.34)*	30% of national demand for quality fish seed being met through public – private collaboration.	DOF	June 2005
<i>Institutional Development</i>			
National Fisheries Strategy (NFS) finalized (para 29)*	NFS finalized/approved	DOF-MOFL	Draft by February 2005 and approved by June 2005

**Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Work Program from January 2005 – June 2006**

Introduction

1. The activities detailed under the project relate to funds to be utilised from the IDA Credit during the extended period from January 2005 – June 2006 and the phasing out of DFID support January – June 2005. The extension has been approved to enable selected activities to be continued to ensure a sustainable output. The main focus is to provide continued support to community based fisheries management sites that have shown potential, but are not sufficiently developed to be sustainable; enable the rehabilitation of the infrastructure in the polders to be completed and for the communities to be in a position to take over the operation and maintenance of the infrastructure.

These activities should be in line with the revised log frame and the desire to look for means to start the process for implementing the strategies developed through support from the project.

2. The project development objective remains as “to support sustainable & equitable growth in the benefits generated from increased fish & shrimp production”.

Component 1: Inland Open Water Fisheries

3. The focus of activities is to continue the development of the community based organisations and their ability to manage inland capture fishery resource according to the Inland Capture Fisheries Strategy. Project Development Objective-Key Performance Indicators are:

B.2 By end of project, production at least 50% better than without-project trend on waterbodies targeted by Inland Capture Fisheries component

B.3 By end of project, at least 50% of benefits on at least 50% of waterbodies targeted by the Inland Capture Fisheries component accrue to poor and very poor fishers.

B.4 By end of project at least 75% of poor professional fishers on at least 50% of targeted waterbodies feel they have greater security in their access to the resource.

4. Component Objective: Sustainable community-based systems for managing and enhancing inland capture fisheries established and operational

5. Activities to be covered

NGO Support

- Continued NGO support for community based organisations that have been identified as meeting the potential to act as an effective organisation for the management of inland capture fisheries.

Institutional Linkages and Strategy Implementation

- Establish linkages to local Government and develop the role for Fisheries Management Committees
- Establish Fishery Management Plan monitoring with Fisheries Management Committees

Operational Funding

- In support of promoting effective fisheries management plans and to develop the communities' abilities to prioritise activities allocate funds to support activities to a maximum level of Tk 20,000 per CBO. Funds would be authorised through the Fisheries Management Committees.

Monitoring

- Community based monitoring tested in five sites by June 05
- Community based monitoring established on at least 30 sites by June 2006

Fisheries Forum

- Support the development and implementation of fisheries forum for community based organisations
- Support linkages to networks of community based organisations of other community based fisheries management projects

Habitat Restoration

- Completion of the remaining civil works under this sub-component by June 2005.

Hilsa Conservation and Management

- Support to the implementation of the Hilsa Management plan

Conservation of genetic biodiversity

- Assist DOF to establish the 'Brood Banks' and train public and private sector fish farm operators

Community cum Training Centres

- Support completion of remaining works of 17 centres and new construction of 21 centres.

Component 2: Coastal Shrimp Aquaculture

6. The focus of the activities is to ensure that the Polder and Block Committees developed in the early stages are able to take on the responsibility of managing the infrastructure being developed with the cooperation of BWDB-DOF and are able to boost production through participatory water management as indicated in the log frame.

7. Project Development Objective and Key Performance Indicator:

B.5 By 2 years after completion of construction, at least 20% increase above the without-project trend in net value of smallholder shrimp and finfish production in 4 targeted polders

8. Component Objective: Improved environmentally sound smallholder shrimp production delivering 20% growth in yields and net income over without-project trend through participatory water management

Activities to be covered

9. Development of community based organisations through continued support by NGOs and the continued development of the polder and block committees ensure:

- Institutional arrangements to manage polder resources through 4 Polder Committees, 60 Block Committees and 4 Landless Committees established by December 2003 and sustained beyond end of project.
- By end of project, all 4 Polder Committees develop Polder Management Plans and all 60 Block Committees develop Block Management Plans with BWDB-DOF support, consistent with their respective Polder Management Plans

All Polder and Block Management Committees, and their respective Management Plans, sustained/implemented for at least 2 years after end of construction

10. Rehabilitation Works

- Through continued support of BWDB ensure that rehabilitation/construction work in polders completed by June 2006.
- Polder rehabilitation completed in 4 polders by June 2006 including:
 - 41 regulators/sluices constructed and 112 rehabilitated;
 - 11 culverts constructed
 - 88 canals totalling 109 km excavated/ re-excavated;
 - 49 km of embankments re-sectioned/repared;
 - 4 fish landing point constructed

11. **Livelihoods:** The Alternative Livelihood Pilot Program focuses on implementing pilot activities with people who depend upon fishing for a livelihood but cannot earn enough from fishing to sustain themselves or their families. The three target groups are: i) extreme poor households who are dependent on fry collection for their livelihoods, ii) extreme poor households living on shrimp farming areas, iii) extreme poor and moderately poor households engaged in professional or occasional fishing who have been adversely affected by project interventions. The program is implemented by two partner organisations Action Aid (AA) (and its local partner NGOs-PNGOs) and BRAC. Pilot activities have been underway since August 2004 in three shrimp polders and at seven of the open water bodies. The program includes:

- Livelihoods of 1000 extreme/moderately poor households depending on inland capture fisheries enhanced by June 2005 (Phase 1)
- Subject to review of Phase 1 livelihoods programme, livelihoods of 1000 extremely/moderately poor households depending on inland capture fisheries enhanced by June 2006 (Phase 2)
- Livelihoods of 940 extreme/moderately poor households engaged in shrimp fry collection or living in shrimp polders enhanced by June 2005 (Phase 1)
- Subject to review of Phase 1 livelihoods programme, livelihoods of 1000 extremely/moderately poor households of the above category enhanced by June 2006 (Phase 2)

12. ***Human Resources Development -Training:***

This will include the following:

- Prepare a training plan for the extended project period, consistent with Human Resources Strategy
- Provide local and overseas training for Department of Fisheries and Ministry of Fisheries and Livestock staff in policy and strategy formulation
- Provide training in monitoring and evaluation for staff of the Department of Fisheries

- Training in awareness building for local government official in objectives of community based fisheries management
- Train Department of Fisheries and other key stakeholder members in community based fisheries management and the needs of the inland capture fisheries sector
- Farmer training in improved environmentally sound shrimp culture techniques conducted in 4 polders
- Provide Department of Fisheries and BWDB staff training in Participatory Water Resources Management

13. ***Institutional Development***

Component Objective:

Capacity of Dept. of Fisheries to manage and support the sector and implement the National Fisheries Policy strengthened

Strategy Adoption

- Advocate for the implementation of all of the strategies and pursue MOFL for their acceptance.
- Assist in the preparation of programmes for strategy implementation

Institutional change

- Prepare a long-term programme for institutional change and support its implementation

FRSS upgrading and computerization

- Establish network based distributed FRSS catch assessment system
- Maintenance of DoF network at head office and 64 districts
- Training of DoF professionals on the use of software.

14. ***Project Management Support to DOF***

Monitoring and Evaluation

- Impact assessment of Livelihood Support/Alternative Income Generation Activities
- Impact assessment of LEAF Piloting
- Impact assessment of continued support to CBFM
- Impact assessment of Polder rehabilitation works leading to participatory water management on the production and income

Support for Information and Communication Technology (ICT) Network Development

- Service contract for maintenance of DOF ICT network
- Training of DOF staff in ICT network administration

Goods

- Repair/Replacement of lift in DOF Office complex

Support to PMU staff operation and management

- Support the activities of the PMU by providing operational funds and allowances
- Level of PMU support to be approved by DOF

Technical Assistance

- Provide continued technical assistance to provide coordination and monitoring of activities
- Proposal is for 3 International TA (Team Leader 12 pm, Genetics specialist 12 pm and Monitoring and Evaluation Specialist, 4 pm) and 48 pm National TA.

15. **Implementation Arrangements**

Options for contracting Consultants, NGOs and Training: There are three elements to the current DFID-funded TA contract –

- International and national consultants together with associated support staff and related operating costs.
- Funding of NGO support for communities in open water fisheries, shrimp aquaculture and livelihoods programmes.
- Funding of overseas and in country training for DOF officers.

16. All three elements are expected to continue during the GOB/IDA extension period and will require mechanisms for contracting and fund transfers. The current mechanism is a single contract between DFID and a UK-based consortium of consulting companies led by ULG Northumbrian Ltd. This contract will end on June 30, 2005 and DFID will have no involvement in the subsequent implementation of FFP. It is therefore necessary to set up new or revised mechanisms for the extension period of July 1, 2005 to June 30, 2006.

17. *Consultants and related costs:* The TA requirement will be approximately 28 person-months of international and 48 pm of national consultants supported by around three office staff and two drivers. Existing equipment provided by DFID should be mostly sufficient for the reduced team, and it is assumed DOF will continue to provide two vehicles and office space for the use of the consultants. It is likely that the consultants will be from the current team, and this will enable the project to maintain continuity and momentum.

18. Options for contracting for the period from July 1, 2005 to June 30, 2006 are:

- a) to recruit through international/national competitive bidding; or
- b) to convert the existing contract by transfer from DFID to GOB/IDA through a new contract with the existing consortium and NGOs.

19. The process for recruitment under an international tender would take six to nine months and cannot be concluded before July 1, 2005. It involves some costs and resources from DOF, MOFL and IDA. It may result in the recruitment of consultants in the current team but, if different consultants are selected, there will be a loss of momentum and continuity which will disrupt implementation during the second half of 2005, a period which is of critical importance to the fisheries sector in Bangladesh.

20. Conversion of the contract with ULG Northumbrian from DFID to GOB/IDA will require a negotiation to ensure value for money and some changes in procedures. The value for money was addressed by DFID during their tender process and there are established rates for the costs of the current

TA team members and related support. A negotiation based on the current DFID contract information should therefore provide good value. The changes in procedures relate mainly to taxation, documentation of invoices, and payment methods and will not be a problem if accepted by ULG Northumbrian. Indications are that they are willing to accept such changes. *Option b), the conversion of the existing contract is recommended for these tasks, which are natural continuation of previous work carried out by the firm.*

21. *NGO funds:* It is anticipated that around US\$ 1 million will be required by NGOs during the one-year period. Based on current experience, about ten NGOs will participate in contracts covering around 30 water bodies, two polders and five community livelihood development programmes. Contracts will include both national NGOs, such as BRAC and ActionAid, and small local NGOs and are likely to vary in size from under US\$10,000 to a maximum of US\$150,000.

22. The current NGOs were selected through a public tender process managed by ULG Northumbrian and supervised by DFID and DOF. Individual contracts are maintained between ULG Northumbrian and each NGO, with a separate contract for each water body or programme. The contracts end by June 30, 2005 at the latest. The contracts are based on reimbursement of NGO costs against an agreed monthly budget and lump sum payments for overhead and operating costs. Most contracts include an advance of up to two months. ULG Northumbrian takes a fixed monthly fee for financing the advances and administering the funds, including undertaking annual audits and inspection visits. The options are:

- a) to recruit NGOs through a new tender process by DOF;
- b) to set up direct contracts between DOF and the current NGOs; or
- c) to convert the existing contract by transfer from DFID to GOB/IDA.

23. A new recruitment of NGOs through tender would take DOF time and resources and cannot be concluded before July 1, 2005. It would likely result in tenders with the current NGOs since no other NGO has the established staff and experience needed to continue the work in the existing locations. If the tender were not completed in time, there would be a break in continuity during the second half of 2005, a critical period for community support.

24. DOF could takeover the existing contracts directly with the current NGOs. This would require negotiations with each NGO involving the establishment of new contracts, payment conditions and invoice documentation. The process would be time consuming not likely to be concluded in time. Some NGO's may also not agree to new conditions for implementation..

25. Conversion of the existing contract has few implications, provided that the current arrangements can be maintained. These include lump sum payments for ULG's administration and the NGO's operating costs, and a mechanism for approval of NGO activities and reports. GOB/IDA procedures will allow this. It will also be necessary to negotiate the level of ULG's administrative fees. *Option c) is recommended*

26. *Training:* DFID training funds are disbursed by ULG Northumbrian against an agreed training plan and budgets for each training activity. Defining the nature of each activity and the selection of the training provider is undertaken by DOF with support from the TA team and ULG do not take any role in this planning. Payments are then made by ULG against invoices from the training providers. Some in country training is provided by DOF and the TA team and in these cases an advance is provided and is subsequently acquitted by the officer concerned. In this case there is no formal contract with the training provider.

27. Training during the extension period is expected to a mixture of overseas short courses and in country training. A plan will be drawn up and agreed by DOF, and each training course or activity will be individually budgeted. The options for training are:

- (a) for DOF to manage all funds directly;
- (b) for DOF to manage all in country training only and for ULG to undertake the management of overseas courses; or
- (c) to convert the existing contract by transfer from DFID to GOB/IDA.

28. DOF has the capability and procedures in place and can manage all the training funds. The in country training is largely the same as existing DOF funded training and could be taken over without any change. Overseas training may require some new arrangements for overseas payments, but these have been done successfully by DOF for the GEF component of FFP and the mechanisms are established.

29. Contracting the management of the training funds through ULG will involve a management fee to the company for the service. The level of fee would need to be negotiated and will depend on the actual mixture of activities and the level of accounting required. *Option a) is recommended.*

30. Estimated Cost and Funding Arrangement. The mission has reviewed the tentative budget prepared earlier and revised it further in the light of the work plan for the extended period. The amount for consultancy services, NGO support and livelihood program has increased from the earlier estimate of US\$2,050,000 to US\$2,885,000 because of additional TA input for adjusting the unit costs for livelihood program, hilsa, genetic biodiversity, FRSS strengthening and training/workshop. The breakdown is the following:

Sl. No.	Item	Estimated Cost ¹ in US\$ for Extension by 18 months [Up to June 30, 2006]		
		Total	DFID	IDA
1	Community mobilization, NGO support	440,000	140,000	300,000
2	AIGAs/Livelihood support, NGO support	600,000	200,000	400,000
3	NGO contract management	155,000	50,000	105,000
4	Development/Rehabilitation of Infrastructure - 4 polders	5,400,000	0	5,400,000
5	Coordination and TA support	1,690,000	790,000	900,000
	Total	8,285,000	1,180,000	7,105,000

¹ These amounts are based on tentative estimates.

Attachment 2: FOURTH FISHERIES PROJECT TA INPUTS/CONSULTANT'S Staffing Plan JAN 2005 - JUN 2006

	Position	Source * of Fund	Est. PM	Jan - Jun 2005						Jul 2005 - Jun 2006													
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
A. International specialists																							
1	Team Leader	DFID/IDA	11																				
2	Institutions/policy specialist	DFID	6																				
3	Community Management Specialist	"	6																				
4	Monitoring and Evaluation Specialist	"	10																				
5	Genetic Specialist	IDA	12																				
B. National specialists																							
1	Com. Fisheries Management	DFID/IDA	18																				
2	Sr. Shrimp Specialist	DFID	5																				
3	Sr. Financial Management Specialist	DFID	3																				
4	Sr. MIS Specialist	DFID	4																				
5	Sr. Socio-economist MAE	DFID/IDA	18																				
6	Sr. Com. Management Specialist OW	DFID	3																				
7	Sr. Ext. and Training Specialist	DFID	2																				
8	Sr. Computer Network Specialist	DFID/IDA	11																				
9	Sr. Livelihoods Specialist	DFID	3																				
10	Programmer MIS	DFID	2																				
11	Sr. Fisheries Management Specialist	IDA	12																				
12	Unallocated short term consultants		6																				

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Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Component 1: Inland Open Water Fisheries (IOWF)

1. Strategy Developments. Inland Capture Fisheries Strategy complete and submitted to different stakeholders and agencies for their review and comments. It is hoped that water bodies under the OWC will be the first to come under the strategy, which envisages a wider program through upazila fisheries management committees and links with Union Parishads.

2. Livelihood gains and social development analysis. Beneficiary Impact Monitoring Program of the OWFC completed 12 BIM case studies revealing and reinforcing the overall picture of considerable site to site variability due to many mitigating factors inter alia; size and complexity of the water body (system), history, lease, influence of elites and local factions, NGO's involvement etc. In studies respondents were asked to give a series of qualitative assessments of changes to their own fishing on the project water body and their perceptions of change within the fishery. Further questions were asked on changes in their livelihood strategy, outcomes and assets. Results show considerable variation between sites with even significant negative impacts for control sites. There is considerable variation between project sites in terms of awareness, participation and sense of project ownership. Also, there does not seem to have been a widespread improvement in access to the project water bodies among the respondents, as anticipated within the original project design/objectives. However, on a positive note, it is clear from the great majority of responses that professional fishers consider that the project has resulted in increases in catch and income but that these changes are only marginal. The following table assesses broadly livelihood changes for open water sites in each category.

Table 1. Percentage of open water sites in each category compared with selected indicators of November 2004

Indicator	Category 1	Category 2	Category 3	Category 4	Overall
Professional fisher livelihoods reported (Focus Group Discussion)					
Improved	67	62	43	0	52
No change	33	38	29	50	36
Worse	0	0	29	50	11
Poor subsistence fisher access/catch reported (FGD)					
Improved	67	40	40	0	40
No change	33	40	40	83	45
Worse	0	20	20	17	14

Adapted from Table 3 in "Review of CBOs and plans for their sustainability". OWC, FFP.

The project has undertaken a series of very useful studies and reviews generating a large number of documents. During the period to June 2005 the project should pool its resources to distill and

synthesize this voluminous material to produce more user-friendly documents for a wider audience particularly directed towards future planners and decision makers who may not be livelihood practitioners or fishery management specialists.

3. Status of FMCs/CBOs and their categorization. A comprehensive system of review and monitoring processes (BIM case studies, sample surveys, rapid strategic Assessments, shortened BIM method, reports and visits) has enabled the team to assess status and deliver on management decisions effectively.

Table 2. Number of open water sites by category and summary of status

Category	Summary of status	No. of sites in May 2004	No. of sites in Nov 2004
1	FMC appears effective and fishery management plans are well observed. CBO registered and functioning well.	11	15
2	CBO and fishery management have gaps and problem issues to resolve (such as poor fund mobilization and relatively low fisher representation). Improvement to a sustainable level appears feasible through continued NGO support.	18	16
3	Following more detailed review some sites have been downgraded. Some CBOs relatively new and others are showing signs of improvement. Full support given over the next 4-6 months will provide clearer indication of sustainability and potential success in managing the fishery	12 or 13	7
4	Major problems for achieving any improvement in the fishery management exist and typically elites have captured the resource and in some cases the FMC. Registration discouraged. Problems deemed insurmountable and NGO support discontinued except for alternative livelihoods program for excluded fishers. DoF role for further support needs to be defined.	8 or 9	9 (Aug '04) plus 6 (Nov '04) plus 5 fish pass sites (Oct 04)

Adapted from Table 1 in "Review of CBOs and plans for their sustainability". OWC, FFP.

4. The practice of categorizing sites under specific criteria has proved not only very useful for making management decisions but has also become important to CBO members who are keen to maintain a high category rating for esteem and status. Improvements are indicated by an additional four Category 1 sites compared to May 2004 and 31 sites for category 1 and 2 combined compared to 29 sites in May 2004. There remain 7 sites in category 3 and 15 sites in category 4 with a worrying trend of 6 additional sites since August 2004. The total falling in this category is 20 sites including 5 fish pass sites i.e. 34% of the total 58 physical locations.

5. Clear trends are emerging across the categories. There is a reduction in the number of sites across categories 1 to 4 for: "FMC registered", "Record quality good", "Fund raising is good and fits needs", "Compliance with fishery rules is good" and increasing number of sites for negative indicators e.g. 'Outside capture of resource', "Significant conflict", "FMC includes elites". The project commissioned a study, "Understanding local power structures and identification of potential champions of fisher based management" to improve their

understanding of elites and design strategies to overcome this barrier. A guidance note has been drafted.

6. The criteria for categorization should continue to be sharpened (compare with other projects), evaluations of water bodies continued but with greater involvement with local DoF officials.

7. Further good progress made with registering FMCs with Social Service Department to become officially recognized CBOs. Since the May 2004 review a further 15 CBOs have been registered raising the total to 24 CBOs at 21 sites, almost half those intervened.

8. NGO and DoF support to FMC/CBOs.

- *NGO support.* For the 38 sites across the three categories showing potential for sustainability further NGO support is required in 2005. At the Category 1 sites most of the work will involve consolidation, completion of capacity building, finalizing registrations and extending links with the Upazila administration. Category 2 has the potential to become a category 1 graded site but it needs to overcome further problem issues such as poor fund mobilization and relatively low fisher representation in the FMC. Therefore, there is a likely requirement for a case-by-case level of NGO support to provide all necessary means to achieve Category 1 status by May 2005. Given the substantial investment to date and the potential for Category 3 water bodies to improve their status, maximum effort through a detailed work plan for the NGO and DoF staff is recommended to address some of the more serious issues affecting status. Also relatively new CBOs may require more time to establish maturity. Again a case-by-case decision on the level of support required may be taken and assessed in May 2005 for further support as necessary under the IDA grant mechanism.

For nine category 4 sites NGO support has already been withdrawn. At three of these sites some of the poor resource users are supported by the project's livelihoods program. It is recommended that coherent plans are drafted immediately for DoF support to the water bodies, which have had NGO support withdrawn. It is also recommended that in collaboration with the Livelihoods Initiative the resource users affected by the FFP are identified to establish exactly who is being assisted and who isn't.

- *DoF support.* At present no decision has been taken in DoF to withdraw support from any site even withdrawing from the worst performing category 4 site. Presently, the DoF Upazila/District staff has MoUs, which detail their engagement with NGOs and CBOs. The issue to resolve is how will DoF continues working with these sites? The original plan envisages that ultimately the CBO has the capacity to manage fishery independently with occasional DoF technical and advisory support. If work is to continue with problem sites there is a question of time availability for many DoF officers and in some cases capacity to deal with serious social conflict issues. Therefore, it is vitally important that detailed planning is initiated as soon as possible so that clearly written MoU between DoF and CBOs informs both parties of their roles and responsibilities. It is recommended that in order to deliver on the MoU, additional ToRs for S/UFO should be drafted and performance monitored regularly.

9. Community based monitoring. Empowering CBOs promote self-reliance, which will be important once NGOs withdraw support and DoF provide limited technical support. A management cycle requires effective monitoring to feed into future planning decisions. Community based monitoring will be tested by June 2005 and if successful, this will be developed and established at all good performing sites, especially category 1 and 2 sites by June 2006.

10. CBO operational funding and capacity building. CBO capacity building deferred until January 2005 pending the new support arrangements for NGOs. The provision of funds for sanctuary renewal etc. to promote local planning (e.g. fisheries management plans) at the CBO level generates dependency and lack of self-reliance. Instead NGOs should be supported to build the necessary capacity for self-reliance through facilitating and mentoring good fiscal (savings, bookkeeping etc.) and group management (promoting mutual trust, well-defined roles and responsibility, participation, democratic values etc.).

11. Fisheries Forum and CBOs networks. More than 200 CBOs have been established by Government and NGOs to develop community led participatory and sustainable fishery management systems in open waters. They lack cohesion, collective strength to lobby for common interests and opportunities to share experiences, ideas and new technological innovations. At present participating CBOs are supported by projects with FFP, CBFM2 and MACH taking lead roles. To date four regional workshops have been held to discuss the idea and formulate ideas. CBOs are enthused by the networking idea and are prepared to contribute towards an annual subscription. However, to ensure long term sustainability the projects are proposing that an endowment fund is established to provide the additional income accrued through interest earned. In the present plan, CBOs would contribute Tk 150,000 towards the annual cost of Tk 1.5 million. To provide this annual income at interested rates of 6-8% pa the endowment would need to be in the order of US\$ 280,000-400,000. This could provide for meetings, workshops, conference, exchange visits, capacity building, public awareness raising and legal advice.

12. Fund availability for the capital investment to the fund may not be a constraint. The most difficult part will be ensuring that the mechanism functions according to its intended objectives, represents the views of fishery and wetland resource users, endowment is not misused and annual operations are transparent and follow good practice. The present plan proposes a Board of Trustees involving GoB, NGOs, independents, specialists and academics and environmental lawyers.

13. At this stage more planning and consultation is required especially with Department of Fisheries and more broadly across the Government of Bangladesh. FFP is in the best position to take a lead on this and this is to be encouraged. Funding a wider consultative phase is an acceptable strategy in the early stages. The project proposes a small grant of Tk 1.3 lakh to fund a series of meetings and workshops for CBOs, project, DoF and local government representatives for the North-West region. Other projects, particularly CBFM2 and MACH will take a lead on supporting similar events in other regions. Even if the long-term sustainability through endowment cannot be established these events will serve as excellent lesson sharing fora; much needed during the early stages of development. The next stages, which may involve the establishment of an endowment fund, may be considered at the next review.

14. Training DoF and local government officials. Build into the HRD strategy. Using remaining training quota and funds local government officials may be given short awareness training in good practices and lessons emerging for effective community based fishery management. More technical (including social and livelihood implications) and the strategic focus may be directed towards DoF officials and other key stakeholder members in CBFM.

The training program represents an opportunity to share the Inland Capture Fisheries Strategy more widely within the organization and for less technical issues with local government which can lead to establishing better linkages with the FRMCs (note: the ICF strategy aims to promote the FRMCs more widely and make links to the Union Parishads).

15. Exit plan. The project should begin to develop an effective exit plan for the DoF to take over monitoring and oversight of water bodies from not only FFP but also CBFM2 in 2006. The Jalmohal Section within DoF has been suggested as a possibility. Presently this section is staffed by a Deputy Chief (who is imminently to be transferred), Assistant Director and two Research Officers. Their responsibility is to provide management oversight of Jalmohals (averaging 100 hectares) acquired under GoB funded projects. The management policy involves the National Fisheries Management Committee and District Committees chaired by the District Commissioner. Therefore the management processes and structures are very different from that developed under the OWC of FFP. This means that any transitioning from OWC to Jalmohal will require substantial handover period for the staff of this section to become fully acquainted with the OWC management approaches. Eventually DoF will acquire over 140 water bodies from the two projects. Many sites will require little intervention because strengthened CBOs will manage the fishery autonomously. However, there will be problem sites to deal with and DoF should maintain an overall monitoring function particularly for its own lesson learning and to assist the CBOs with technical advice and ensure the leases are extended. The project has developed a very useful 64-point monitoring tool for the water bodies and criteria for categorization, all of which should be sustained with existing and improved DoF administrative structures.

If the DoF is serious about developing community capacity to manage water bodies in an effective and sustainable manner the Jalmohal section or renamed equivalent should be strengthened with more and well-trained personnel, have the necessary resources to operate efficiently and work towards a coherent strategy e.g. 'Inland Capture Fisheries Strategy'. During the next six months the mission recommends that DoF develop an exit plan for the management and oversight of FFP and CBFM2 water bodies.

16. Long term sustainability. Sustaining effective oversight of water body management will depend upon how effective and committed the DoF is to developing a central coordinating unit, capacity of field staff, implementing a strategy and action plan and overall support of the process through its own Revenue and Development Budget funding. Presently the Beel and Baor Project receives funds through the Revenue Budget demonstrating that financial resources may be routed through the Revenue Budget line. It is encouraging that the pipeline projects funded through the Development Budget line of DoF are capturing the learning from earlier donor funded projects, particularly the OWC of FFP e.g. 'Habitat restoration of Inland openwater fisheries', 'Fisheries resources development in small-scale water bodies' and 'Stocking of fish fingerling in semi-closed and open waters to increase production from inland fisheries'. However, from initial discussions it appears that these projects do not include or support elements of institutional building, the development of CBOs, specific poverty targeting and support from NGOs. A further project proposed, 'Floodplain Aquaculture Project' diverges further from the community

driven management strategies developed by FFP in that floodplains are physically closed to fish movement using tight meshed fences “*Baghabon*”, stocked by private investors (mainly landowners) and managed as extensive aquaculture systems. During the flooding period fishing by poor people is banned to protect the stocked fish and the business interests of a few individuals. By restricting fish access through the canals to rivers biodiversity and local ecological system will be affected. The limiting of free access during the flooding period and lack of attention to conservational issues with this project are contrary to the values promoted by FFP. Perhaps it can be argued that the strategies for community based fishery management developed by FFP and CBFM2 are still in development and therefore it is too early to judge the commitment of DoF to accommodate these approaches. However, present trends indicated by projects proposed by DoF to MoFL, which do not complement systems developed by FFP and CBFM2 are a cause for concern.

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Fourth Fisheries Project
Component 2: Shrimp Aquaculture
Participatory Water Management & Land Issues

Introduction

1. As referred to in paragraph 15 of the Aide-Memoire, this annex provides (i) an update of the organizational efforts by the polder communities and the issues that require further attention of BWDB and DOF, and Polder, Block and Landless Committees; (ii) an update on organizational linkage and coordination issues that are to be addressed to facilitate effective and gainful operation of the water management activities; and (iii) the latest estimates of lands required to excavate/re-excavate the canals and construct the sluice gates; social safeguard impacts due to use of private and khas lands; as well as the progress in haari¹ arrangements on the lands needed for both canals and sluice gates. Recommendations and agreed actions follow each of these issues.

Participatory Water Management

2. *Community Organizations.* The project has assisted the polder communities through local NGOs to organize themselves into community-based organizations (CBOs) represented by 60 Block Committees (BCs) and four Polder Committees (PCs). Four polder-wide Landless Committees (LCs) have also been formed to represent the landless peoples. These CBOs, assisted by the NGOs, have carried out community consultations to identify water management issues in shrimp and paddy production, and assessed status of the existing water management infrastructure and suggested appropriate rehabilitation needs and alternatives. To promote and sustain the CBOs' interests in community development, the project has developed mechanisms to support the partner NGOs, on a pilot basis, to train fry collectors and other poor in alternative income generation activities. The pilot will be evaluated by June 2005. In this regard, a Memorandum of Understanding (MOU) has been signed between BWDB/DOF and the BCs, and PCs in three polders. Discussions are underway for signing the MOU with the remaining PC of Polder 5.

3. Some confusion remains among the PCs, BCs and BWDB-DOF regarding their functional linkages and roles and responsibilities in O&M of physical infrastructure, water management in the polders, conflict resolution and, above all, in ensuring quality of the contractors' works. The LCs and PCs are still unclear about how the project could provide an enhanced benefit to the poor. To address these issues, another draft MOU has been prepared which, however, remains to be reviewed and cleared by the concerned authorities, and signed between the PCs and BWDB and DOF. It was agreed that,

- *For each polder, MOU between the PC and BWDB and DOF is to be signed with clear terms of references which, among others issues, will specify general oversight role of the PC during excavation/construction, followed by a joint walk through upon completion.*

¹ Haari is a local term referred to annual rental for a parcel of agri-land .

- *In each polder, the NGOs will keep working closely with the PC, BCs and LC, to establish better linkages between the three committees and examine ways to involve them in activities that would benefit the poor.*

4. **Training of CBOs.** To promote effective participation of the polder communities and, thus to sustain the efforts, it is essential that supply and distribution of water are managed and coordinated with seasonality of agriculture and shrimp/fish aquaculture, both of which are prevalent in these polders. The CBOs have shown their interest and commitment to prepare a water management plan for each polder taking into account the present land use practices and their seasonality. There is also a need to train the CBOs in O&M of the physical facilities, as well as better water management (and other) practices to help raise productivity in shrimp/fish aquaculture. It was agreed that,

- *While BWDB and DOF will provide technical assistance, the NGOs will facilitate the process to complete the water management plans for each block by February 2005.*
- *BWDB and DOF, in association of the NGOs, will organize and conduct training for all CBOs members in (i) O&M of the physical facilities in each polder, and (ii) better water management practices.*

Linkages and Coordination

5. It is essential that efforts of various development partners and trade organizations are coordinated and strengthened for enhanced production and more gainful marketability of shrimps. The FFP has developed linkages with the Aquatic Biodiversity Project (GEF), Shrimp Foundation, ATDP, CDP, SHAB, BFFEA and the Shrimp Farmers' Associations. Component activities have been fed into the Shrimp Strategy and Action Plan.

- *For sustenance of this initiative, close coordination will also be needed with the Netherlands funded Integrated Planning for Sustainable Water Management Project (IPSWAM) and the proposed Water Management Improvement Project to be financed by IDA and the Netherlands.*

6. The shrimp component will require regular coordination among all parties at Polder and District/Division levels. Polder level review of coordination could be on a monthly basis and District/Division level meeting may be held at least once a quarter.

- *Respective Executive/Subdivisional Engineers will organize monthly meetings at the polder level with representatives from DOF, PCs/BCs and NGOs. Superintending Engineer of BWDB will organize the quarterly meetings at Khulna with representatives from DOF, PCs, BCs and the NGOs.*

Infrastructure Development & Social Safeguard Issues

7. The main issues in developing the water management infrastructure are availability of the required lands and mitigating the associated social safeguard impacts. The major physical works include excavation and re-excavation of 88 canals in the four polders. Sixty-four of them are existing khas canals that are to be re-excavated and the other 24 to be excavated anew. In addition to repair of a substantial number of existing sluice gates, 41 new ones will also be built in the four polders. It is determined that the works in the canals and construction of the new

sluice gates will require a substantial amount of lands from public and private ownerships. It is also determined that a considerable proportion of the public or khas lands are under long-term lease to landless and poor people. Below are the details of the required lands, and the potential impacts associated with the use of private and leasehold khas lands and the planned mitigation measures.

8. **Land Requirements for Canals.** With the decision to drop the fish-structures under the open-water component, land issues presently relate only to the shrimp polders. Together, the 88 canals in the four polders require a total of 521.42 acres of land: 461.45 acres for the 64 existing canals and 59.97 for the 24 new ones (Table-1). The new canals, which will serve as links to the existing canals in the polders, are to be excavated entirely on private lands. While the lands in the existing canals are all khas, it is estimated that 43.96 acres are presently under long-term lease to marginal and landless households. Considering the long-term lease conditions that eventually entitle the leaseholders to legal ownership, BWDB has decided to treat these leasehold khas in the existing canals as 'private'. It is also determined that the re-excavation works will require 22.04 acres (4.78% of the total for existing canals) of private lands for easing water flow and disposal of the spoils. As such, the total amount of private lands required for the 88 canals amount to 125.97 (59.97+ 43.96+ 22.04) and khas lands to 395.44 (380.86+ 14.58)² acres.

Table-1: Canals, Land Requirements and Sources and Affected Households, By Polder

Polder # / District	Canal Type	# of Canals	Total Land (Acre) Required	Types of Land				# of HHs Affected
				Khas Lands		Private Lands		
				Lease-Free	Road/Bund	Allotted	Owned	
05 / Satkhira	Existing	5	57.15	51.77	4.93	0.0	0.44	18
	New	2	6.36	0.0	0.0	0.0	6.36	
	Both	7	63.51	51.77	4.93	0	6.80	
23 / Khulna	Existing	21	130.97	96.47	0.49	30.93	3.06	63
	New	2	2.49	0.0	0.0	0.0	2.49	
	Both	23	133.46	96.47	0.49	30.95	5.55	
31 / Khulna	Existing	19	142.65	133.54	0.73	5.31	3.07	111
	New	8	20.67	0.0	0.0	0.0	20.67	
	Both	27	163.32	133.64	0.73	5.31	23.74	
32 / Khulna	Existing	19	130.68	99.08	8.43	7.70	15.47	231
	New	12	30.45	0.0	0.0	0.0	30.45	
	Both	31	161.13	99.08	8.43	7.70	45.92	
ALL POLDERS	EXISTING	64	461.45	380.86	14.58	43.96	22.04	423
	NEW	24	59.97	0.0	0.0	0.0	59.97	
	BOTH	88	521.42	380.86	14.58	43.96	82.01	

Source: FFP TA (November 2004)

9. Of the 41 sluice gates, four will be constructed in Polder 5, six in Polder 23, 12 in Polder 31, and 19 in Polder 32. All of these sluices will be built anew in the same general locations. It is estimated that construction of these sluices will require a total of 23.03 acres of lands, all of which are under private ownership.

² The 395.44 acres of khas include 14.58 acres presently used for roads and embankments. Since they are not privately-owned, these lands are also considered public and available for the canals.

Related Impacts

10. **Due to Canals.** There are no particular social safeguard or community concerns with the 395.44 acres of khas lands in the existing canals, or any such lands that might be needed any time during excavation and re-excavation. But concerns are there about the impact of using the 125.97 acres of private lands, including the leasehold khas that has also been designated 'private'. It is estimated that a total of 423 private landowners (leasehold khas: 91 and private: 332) would be affected by the excavation/re-excavation works in the 88 canals (Table-1). In addition, these works would partially affect one private homestead and leave a poor squatting household vulnerable to river erosion in Polder 5³; displace a temple in Polder 23; and a school with a teacher's living space in Polder 31.

11. **Due to Sluice Gates.** To ensure their security, BWDB has decided to bring the 23.03 acres of private lands needed for the 41 sluice gates under its ownership. Although the legal process has been initiated, the number of would-be affected landowners will be known after the actual title holders are identified by the acquisition officials. But given the peripheral location and generally low productive quality of these lands, it is assumed that potential impacts on the individual landowners would be quite modest⁴.

Impact Mitigation

12. As noted, no adverse impacts are expected from the use of the 395.44 acres of khas that are already in the existing canals. An option was there to appeal for cancellation of the long-term lease of the 91 households on the 43.96 acres of the allotted khas and re-allocate them free of costs for re-excavation of the canals, as well as acquire the 59.97 acres of private lands from the 332 owners. It was however thought that, in addition to uncertainty about lease cancellation and re-allocation, and the long time needed for acquisition, this would have meant complete stoppage of any income accruing from these lands to the leaseholders and landowners. The Polder and Block Committees thus decided in consultation with the leaseholders and private owners to utilize a traditional rental arrangement known as *haari*. In *haari*, the leaseholders and landowners would receive mutually agreed yearly rent without having to relinquish the lease and ownership rights to the lands. The arrangement would remain in force for as long as the lands remain in use in the canals.

13. As decided, the *haari* agreements have been formally signed with 421 of the 423 leaseholders and private landowners (Table-2). The yearly *haari* rate per acre has also been worked out for each of the canals. Of late, the beneficiaries have asked BWDB to include two more canals, Harikhal in Polder 5 and Soladana in Polder 23, in the current work package. BWDB has pledged to consider the request. In this regard it is agreed that,

³ The review team visited the existing sluice gate in polder 5 which is threatened by erosion and would be rebuilt away from the river. Although most of the lands would come from the adjacent khas, reconstruction works will also require a small portion of a nearby private homestead. As the embankment will also be moved inward with the new gate, a poor squatting household would be left open to the eroding river. It also appeared that a part of the sluice gate embankment would be quite close to a temple situated on the khas.

⁴ The deteriorating sluice gates for the existing canals will be replaced with new ones in almost the same locations. The lands needed for these sluices are by the existing roads and embankments that are generally of low productive quality. Salinity affects agriculture outside the polders. Inside the polders, agriculture and shrimp aquaculture near the gates are generally avoided because of risk of embankment breaches due to high speed of water flow.

- *BWDB, assisted by the engineering and TA consultants, the partner NGO and others, would verify the existing land tenure, additional land requirements and other issues in the two canals, and gather all impacts data as done for other canals.*
- *BWDB would address all impact issues, such as those related to leasehold khas and private lands, in the same manners as being done for other canals.*

Table-2: Canals, Land Requirements and Availability, and Haari Agreements, By Polder

Polder # / District	# of Canals	Total Land (Acre) Required	Land Availability		Haari Agreements	
			From Khas	With Haari	Required	Completed
05 / Satkhira	7	63.51	56.70	6.80	18	18
23 / Khulna	23	133.46	96.96	36.50	63	62
31 / Khulna	27	163.32	134.37	5.31	111	111
32 / Khulna	31	161.13	107.51	53.62	231	230
TOTAL	88	521.42	395.44	125.97	423	421

Source: FFP TA (November 2004)

14. As to the impacts on private homesteads and community facilities, the Polder and Block Committees and BWDB have reached the following decisions:

- *Polder-5*: It has been decided in consultation with the private homestead owner that the new sluice gate would be sited so that the houses and other structures are not affected. The review team was informed that the squatting household has a piece of land in the interior of the polder, but could not afford to move the houses. The local residents pledged to assist the household to move and rebuild them. The team recommended that BWDB should consult the concerned community in aligning and designing the new sluice embankments in a way so that the temple is not displaced.
- *Polder-23*: BWDB informed the review team that the Block and Temple Committees have reached an agreement under which the former has purchased 0.04 acre of land to relocate the temple. The temple would be reconstructed by developing the land with soil that will be excavated from the canals.
- *Polder 31*: To rebuild the school and a teacher's living space the School Committee and the Union Parishd have signed an agreement to move the establishment to a piece of land offered by the latter. The school will be rebuilt by developing the land as soil from the excavated canals becomes available.

Land Acquisition for New Regulators

15. Acquisition of private lands for the 41 sluice gates is still in the very early stage of the legal process (Table-3). The 23.03 acres of lands are being acquired under five acquisition proposals which are reported to have been cleared by the District Land Acquisition Committees (DLACs). As of now, legal acquisition Notice-3 has been served on only 2.71 acres sought under three of the proposals. These proposals are presently awaiting clearance of the Ministry of Land (MOL). Notice-3 has been pending on other two that together account for 20.32 acres (or 88.32% of total), even though they were approved by DLAC more than a year ago. These two proposals remain to be sent for MOL's clearance. There is however no certainty about when the most time-consuming tasks like compensation assessment and payment would be undertaken and completed.

Table-3: Land Acquisition Status for Sluice Gates, By Polder

Polder # and District	# of Sluice	Land Required (Acre)	Acquisition Status					
			DLAC Approved	Notice-3	Notice-6	Notice-7	# of Awar- dees*	# of Awards Paid
05 / Satkhira	4	1.56	17 Apr 04	Issued	-	-	-	-
23 / Khulna	6	1.15	24 Nov 03	Issued	-	-	-	-
			17 Apr 04	Issued	-	-	-	-
31 / Khulna	12	2.51	24 Nov 03	-	-	-	-	-
32 / Khulna	19	17.81	24 Nov 03	-	-	-	-	-
TOTAL	41	23.03						

* Affected landowners and the compensation for acquired properties are called 'awardees' and 'awards' in the land acquisition law (Source: BWDB).

16. There is a significant confusion about clearance requirements of the acquisition proposals. According to the acquisition law, only one proposal containing 17.81 acres for Polder 32 requires clearance by MOL. Acquisition under four proposals, including the three presently awaiting MOL clearance, could have proceeded with DLAC approval. Considering the overall situation, the review team strongly recommended that,

- *BWDB should carefully review the acquisition status in terms of the amount of land requested in each acquisition proposal and the approval requirements thereof, and be most proactive with MOL for clearance and the concerned Deputy Commissioners for expediting the acquisition process.*

17. **Interim Haari.** It appears almost impossible that acquisition would be completed in the near future to allow construction of the sluice gates in the current dry season. On the other hand, the Block Committees and many of the would-be affected private landowners (who also have lands in the polders) are too eager to have these regulators built this season. Considering the functional linkage between the canals and sluices and the seasonality of both construction and shrimp aquaculture, it is decided that the same haari arrangement would also be used on these lands. As has been done for the private lands for canals, the Block Committees and land landowners would enter into haari agreements with mutually agreed yearly rentals. These agreements will be cancelled as soon as compensations for the acquired lands are paid to the affected landowners. For sluice construction to start, it was agreed that,

- *BWDB and the Block Committees, assisted by the TA consultants and partner NGOs, would identify in each sluice the owners of lands requested for acquisition; consult them about the haari arrangement and determine the yearly haari rates; and execute the haari agreements with the landowners.*

18. **Commencement of Civil Works.** Execution of the haari agreements on the private and leasehold khas for the canals is almost complete. Substantial progress has also been made in interim haari arrangements on the lands for the regulators. The MOU on the functional/organizational relationship between the PC, BCs and LC is yet to be signed in Polder 5. The other MOU on the roles and responsibilities of BWDB and the CBOs on the rehabilitation works remains to be reviewed and cleared by the concerned authorities, and signed between BWDB, DOF and the PCs. It was agreed that BWDB would complete the

pending tasks on an urgent basis and would submit the following to IDA before the contractors start construction works on the ground:

- *For each block: copies of haari agreements executed between the leaseholders of khas and owners of private lands that would be used for excavation and re-excavation of the canals. If included in the current work package, this also applies to Harikhal and Soladana khals.*
- *For each sluice gate: copies of the interim haari agreements executed between the Polder/Block Committees and the landowners.*
- *For each polder: copies of signed MOUs between the Polder Committees, Department of Fisheries and itself.*

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Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Component 3: Freshwater Aquaculture Extension And Training (AET)

1. Production targets. Farmer training targets met in full. Average production increases in excess of the targeted 50% with 60% for first two batches and 40% for the third batch. Efficiency of production increased between the first and second batch of farmer groups. Increased fish production has increased total net income of beneficiaries by an estimated \$ 10 million per year.
2. Monitoring. Monitoring techniques used to assess impact have attempted to reduce bias within the resources available. Deploying DoF staff has built up good in-house capacity for future field level impact monitoring. However, an independently commissioned impact study may have improved integrity of the training and production data and, analysis of causal links and livelihoods impact.
3. Poverty targeting. Poverty targeting improved with more recent batches of Fishery Village farmer groups as the concept became more clearly understood over time but overall only 9% of the trainees may be categorized in the BIDS definitions (used by the project) extreme poor to moderately poor. However, poverty targeting improved in the 4th batch following training (worst 40% and best 88% of group members defined as poor).
4. Gender. Gender targeting was slightly underachieved by a few percent but has increased every successive year of the project. Quantitative analysis focused on increased income, fish production & consumption and savings but not qualitative issues relating to labor load, social capital, empowerment and overall well-being assessment. A Gender Evaluation study and associated workshop enabled the project to assist DoF analyze to what extent female staff of the Department of Fisheries are able to perform effectively in aquaculture extension and to identify any specific factors that limit their performance. The outputs from the gender evaluation study recommended short and long term actions for the department to reduce or remove constraints identified and formulate an Action Plan for implementing the recommendations. DoF did not follow up with implementation of the Action Plan
5. Training. For in-country training and exchange visits 83% of targeted number of trainees achieved for the AET training component. No assessment of targeted time allocation for training in days or more substantive indicators for the quality of training provided and evaluation of training objectives. Therefore, a performance appraisal based on numbers of persons 'trained' alone is weakened.
6. Exit Plan. The exit plan which started at the end of 2003 consisting of; i) quarterly visits to the groups, ii) Team Leaders of Fishery Village groups attend bimonthly meetings at the Upazila office and, iii) bookkeeping of pond records, is 'apparently' not progressing satisfactorily under the management of the Extension Cell and respective Upazillas. No concrete data is available for analysis and validation. A discord is evident between the Extension Cell and the FFP AET component regarding implementation of the exit plan. Annual plans need to be drafted with all DFOs and Extension Cell to consolidate exit plan activities for all 211 participating Upazilas. It is recommended that before end of the project, a clearer assessment of

exit plan progress should be documented with recommendations for improved delivery.

7. LEAF. Good progress has been made by the project in the design and setting up of the Local Extension Agent for Fisheries (LEAF) pilot in 30 Upazillas. Every effort has been made to inform and train respective DoF officers to implement this pilot. However, progress is unclear due to the existence of no collated data information regarding implementation progress or monitoring. Approximately 2/3 of feedback forms (monthly progress reports) expected from the UFOs have been returned to the Extension Cell but instead of collating this information with the Extension Cell, these have been sent to the AET for analysis and compilation. Also LEAF profile data has been handed over to AET. Therefore present indications are that the LEAF will not be sustained under the Extension Cell.

The FFP expectation that the LEAF may be constituted under the revenue funding is an ambitious expectation given that previous project initiatives have not been sustained under 'routine' revenue funding.

Although theoretically, specific financial support is not required to sustain LEAF the present organisational culture is such that most work is undertaken through project initiatives. As with the exit plan for all 211 participating Upazillas there is little evidence of implementation by the DoF Extension Cell and designated Upazillas at this time. Evidence to date suggests doubt that the LEAF model will be sustained beyond December 31st 2004 in the absence of financial support to the Upazilla offices and/or leadership to promote this from headquarters. According to similar models with local NGOs (e.g. CARP, BAIC) and the international NGO CARE Rural Livelihoods Programme this requires at least one year of support directly to the LEAF groups e.g. regular 'facilitation' visits. It is recommended that the AET hold a SWOT stakeholder analysis workshop before December 31st 2004 to ascertain minimal support requirements for a full one year LEAF cycle and present to DoF and FFP for consideration.

8. LEAF impact assessment and sustainability. To ensure the LEAF extension program is fully assessed and lessons extracted for future planning the project management team should write 'Terms of Reference' for an independent impact assessment study to be conducted in May/June 2004 upon the completion of one cycle of LEAF. This should include a detailed analysis of DOF support for LEAF both at the headquarter and Upazila level. If there is little evidence of support (e.g. LEAF profiles and monthly reports) then the study should not go ahead. The support would not entail much more than reporting at the monthly District meetings, occasional phone calls and compilation of monthly reports on a simple spreadsheet.

The sustainability of LEAF remains a concern. However, it is worthy of note that a large project involving every Union of the country has already been forwarded to the MoFL and Planning Commission. The proposed project, "Fisheries Extension Service at the Union Level" incorporates elements from the FFP developed LEAF concept but deviates from the fundamental principles of promoting local level democracy and self-reliance in that a small remuneration is provided to an individual 'agent' or 'specialist' selected by DoF officials. This also differs from the strategy, which calls for fully participatory and demand-led approaches. Perhaps the lessons from the aforementioned evaluation study of LEAF may be accommodated into the new Union level project, which has yet to be approved by the government. That said however, at present, the DoF extension planning processes appear disconnected and lack continuity in logic with donor funded projects and the Fisheries Extension Strategy.

9. Capturing Lessons. The lessons learned from the AET component should be captured for future planning. The mission endorses the plan to synthesis the lessons emanating from the lesson learning workshop and proposed exit plan and LEAF assessment study planned for May/June 2005.

10. Aquaculture Investment Strategy The AET has completed the ‘strategy’ or ‘proposal’. The impression conveyed to the review mission is that there was little enthusiasm within the project to undertake this task and there was little understanding of its overall purpose and recipient audience and also relevant ‘fit’ at this present time of strategy development in the project. Over planning and strategizing malaise is becoming evident. Part of the reason in the lack of understanding for this ‘strategy’ development is that the recommendation for this task given in the February Review Aide-Memoire lacks sufficient clarity and detail. Although the project could have sought further clarification from the Aide-Memoire author(s).

The document provided makes strong links to the Aquaculture Extension Strategy and thus pursues a narrow channel of potential investment. For this aspect, the issues and guidelines for investment are quite detailed and potentially very useful.

Further opportunities for such an investment strategy may focus on;

- (i) the development of the regulatory framework and enabling environment for private sector growth;
- (ii) greater linkages to national policies beyond fisheries e.g. National Strategy for Economic Growth, Poverty Reduction and Social Development – PRSP, National Land Use Policy, National Rural Development Policy, National Water Management Plan, Environment Policy and Implementation Plan, National Women Development Policy, National Agricultural Policy) and other social charters promoted by the GoB;
- (iii) promotion of potential linkages and partnerships for aquaculture growth;
- (iv) private and public sector involvement in research.
- (v) issues relating to biodiversity and conservation in aquaculture;
- (vi) linking production options and special development objectives with market opportunities including some guidelines for expanding the export potential to other culturable species.
- (vii) better indicators for scope of profit and investment, demand and potential expansion (key question for potential investors)
- (viii) potential of a wide range of aquaculture systems not mentioned in the first strategy draft e.g. integrated animal/rice/vegetable fish systems, brackish water systems and potential of other indigenous crustaceans.

Given the workload of the AET, lack of overall enthusiasm in DoF for this and lack of clarity given in the recommendation the first ‘strategy’ draft may be considered as a good working document for further strategy development including some of the issues and areas given above. It is recommended that the aquaculture investment strategy or proposal idea be presented at the AET lesson sharing workshop planned for mid-January 2005 seeking recommendations for further development as a stipulated output from the workshop.

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**Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Status of Strategy Preparation**

Strategy	Status	Action Plan - status	Submitted - shared	Next steps
National Fisheries Strategy	Draft in preparation – final draft to be finalized by April 2005	Action plans under sub-sector strategies.	Not yet shared with wider stakeholder audience	- MOFL's clearance of the NFS by February 2005, approval at the appropriate Government level by June 2005
a. Inland Capture Fisheries sub-sector Strategy	Draft strategy prepared in August 2004 and further revised in November. Draft sent to MoFL for information.	In preparation – to be finalized January 2005	Submitted by DG/DOF to about 30 Gov. agencies, institutions, NGOs and other projects for comments.	Finalization of the strategy and submission to MOFL. Discussion initiated by MoFL with other Ministries i.e. MoLands
b. Shrimp and Coastal Aquaculture Sub-sector Strategy	Final draft prepared in July. Draft sent to MoFL for information.	In preparation – to be finalized in February 2005	Draft submitted to a wide range of stakeholders and DG/DOF. Draft sent to MoFL for information	Submission of the strategy to MOFL and finalization of the Action Plan

Strategy	Status	Action Plan - status	Submitted - shared	Next steps
c. Marine Fisheries Sub-sector Strategy	Final draft prepared in May 2003.	In preparation. Workshop held in Cox's Bazaar in December in conjunction with FAO ECFC Project	Submitted to and discussed in meetings in MoFL after wide stakeholder consultations	Finalization of the strategy and MOFL approval. Finalization of the Action Plan. Need clarification of MoFL on plans to separate wing from DoF.
d. Aquaculture Extension Sub-sector Strategy	Finalized in 2003	Draft prepared and finalized in Oct 2004	Wide stakeholder consultations. Sent to MoFL for approval.	MoFL approval. Incorporated into planning process.
e. Aquaculture Sub-sector Strategy	In preparation – to be finalized in February 2005. Will incorporate findings of GEF Broodstock improvement plan	To be prepared by April 2005		Finalization of strategy and action plan. Stakeholder consultations
f. Quality Control Sub-sector Strategy	In preparation with draft to be finalized in December 2004	To be finalised by March 2005		Stakeholder consultations initiated under Shrimp Strategy, but requires further meeting.
h. Monitoring and Evaluation Strategy	Draft Strategy finalized in April 2004	Workshop held in December. Draft to be finalized in February 2005	Strategy submitted to DG/DOF	Submission to MoFL for further discussion and approval. Finalization of the Action Plan
g. Human Resource Development Strategy	Prepared in April 2004 with support from TA Training Advisor. In support of Department Training Policy prepared in March 2004	Action plan prepared by FTEP. Needs revision in light of other sub-strategies.	Submitted to DG/DoF	

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**Bangladesh Fourth Fisheries Project
November-December 2004 Review Mission
Alternative Livelihood Pilot Program**

Current Status

1. The initiative focuses on implementing pilot activities with people who depend upon fishing for a livelihood but cannot earn enough from fishing to sustain themselves or their families. Specifically the pilot program of livelihood interventions emphasis empowering and facilitating by;
 - (a) supporting the target households to strengthen their livelihood security through increased demand for and better linkages to public and NGO services and resources
 - (b) increasing responsiveness of the public and NGO services to the interested of the target household
 - (c) supporting community led livelihood development initiatives.
2. The three target groups are: i) extreme poor households who are dependent on fry collection for their livelihoods, ii) extreme poor households living on shrimp farming areas, iii) extreme poor and moderately poor households engaged in professional or occasional fishing who have been adversely affected by project interventions.
3. The program is coordinated by TA team from FFP and implemented by two partner organisations Action Aid (and its local partner NGOs) and BRAC. Pilot activities have been underway since August 2004 in three of the south western districts polders and at seven of the open water bodies where the FFP has ongoing FFP activities under the Open Water Component.
4. Both NGOs appear to have made good progress in group formation and poverty targeting. Both BRAC and Action Aid have adopted differing strategies; Action Aid has adopted an approach, which offers a capital grant managed entirely by the group. The idea is that the Action Aid groups will be able to pay off all debts, purchase capital equipment and after receiving training and follow-up mentoring from the partner NGO, group members will become self-reliant and be able to pursue diverse livelihood options. BRAC target individual households and does not provide a capital grant to break free of debts and money-lenders but instead comprises of a special investment programme, employment and enterprise development training, social development and essential health care.

Issues & Recommendations

5. The approach taken by Action Aid is a new approach in that full debt relief is catered for before capacity building and group empowerment is initiated. Because it is a new approach there will be a risk and possible unforeseen outcomes. Some of the group members who were previously fishermen at the sites have already had their livelihoods negatively impacted upon as a result of the FFP intervention. To engage them further in untried poverty alleviation approaches is very risky strategy. Although group members may benefit from financial support

even if the group disbands, there is a risk of losing social capital particularly gains made with local elites and money-lenders. Other risks may relate to external jealousy “*Hingsha*” (anecdotal evidence already exists) or intra-group disagreements over the differential benefits derived from debt relief. The resultant outcome from potential negative impacts weighed up against immediate financial and resource gains is unknown and is thus cause for concern.

6. Furthermore, long term risks are associated with the effectiveness of the group management strategy to sufficiently benefit members to remain in the group. Poor people often seek to gain short term returns on their labor investment. Since project funds will support the local NGO to provide training and other services, the group is likely to mature, although there is the risk of elite involvement if services are provided from external sources. Also, will a dependency culture in the group become established after one year of full support ?

7. The BRAC approach is less risky in that it does not provide immediate debt relief but adopts a longer process of promoting self-reliance. Any strategy involving the provision of free inputs and enterprise development may attract undesirable elements within any community. Strategies and tact adopted by the partner NGO will be crucial to mitigating interferences from outside the groups.

8. The Alternative Livelihood Pilot Program has been implemented with expediency to meet certain milestones before end of DFID funding through FFP in June 2005. The TA team and NGOs are to be commended for reaching such an advanced stage of implementation so quickly. However, this often comes at a price e.g. design issues, poor targeting, capacity to perform etc. Approach design and targeting is good except aforementioned caveats but the capacity of PNGOs and BRAC field staff to deliver on program outputs is unknown. It is recommended that FFP/AA/BRAC undertake an evaluation of progress at the mid-term of implementation in May 2005 with particular emphasis on livelihood impact, capacity of partner NGOs to deliver on objectives, capacity to scale-up if relevant, and a better understanding of the group members’ relationship with FMCs and the fishery i.e. how many Livelihood Program beneficiaries in the groups were actually affected due to restricted access.

9. Whilst the targeting approach taken caters for all the poor villagers near the FFP intervened site thus avoiding potential problematic issues arising from exclusion in communities, there is some concern that not enough attention has been paid to targeting disaffected members from the FFP-OWC Fisheries Management Committee approach i.e. traditional fishermen that have now been excluded in these targeted water bodies. Although local DoF and NGO staff identified most affected villages and the fishers were screened for selection those actually excluded from the fishery were not specifically identified. Previous studies and surveys (e.g. BIM) sampled the areas concerned but did not identify individuals affected. Given the short timeframe for selection more specific identification perhaps was not feasible. Increasing the number of beneficiaries will not be possible for the existing groups. Therefore we can conclude that for the open water sites the programme is piloting livelihood diversification and group empowerment approaches to alleviate chronic poverty for poor fishers but not necessarily those affected by FFP-OWC. Also the total number of professional fishers excluded by FMCs is not known but the total number that this programme is assisting will likely be a small percentage of the total affected [reports suggest that fishers are worse off in half and one-third of category 4 and category 3 sites respectively i.e. 11 sites. The programme works in 7 sites with just 1475 people. Also less than half the villages were selected from the FMC list]. Therefore, the learning from these pilots will be of considerable importance but expansion of the programme should

only be supported by FFP if the objective is to mitigate just those fishers affected by the FMCs. Otherwise this becomes a livelihoods diversification project for the extreme poor, not related to fisheries except that the beneficiaries live in 'fishing' villages.

10. Therefore program should be given enough time to complete one cycle with comprehensive impact assessment, which realistically would not be completed until October 2005. A funding mechanism should be sought to complete the assessment, documentation and dissemination. The decision for scale-up with justification may be taken following the first evaluation of progress in May 2005. Therefore if insufficient information is available at that time it is recommended that the FFP do not increase the number of beneficiaries in the programme. Starting a new batch with less than one year of project to run (i.e. post October 2005) is unlikely to yield positive outcomes.

11. During the remaining period of DFID/FFP support it is recommended that the TA team and NGOs develop a strategic plan to capture and share lessons from the Alternative Livelihood Pilot Program. It is important for Action Aid and BRAC develop a monitoring system using standardized livelihood indicators. The key findings will be important indicators for both future funding and support for not only these initiatives but also to integrate into the planning of other programmes working with the hardcore poor which strive to empowering the groups and diversify their member's livelihood options.

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SCHEDULE 1
Withdrawal of the Proceeds of the Credit
Draft

1. The table below sets forth the Categories of items, including three new sub-categories on NGO services, livelihood support program, and training/workshop; and possible re-allocation amount of SDR1.43 million for 2004-Floods Recovery Program, to be financed out of the proceeds of the Credit, the allocation of the amounts of the Credit to each Category and the percentage of expenditures for items so to be financed in each Category:

Sl. No.	Category	Amount of the Credit Allocated As amended on January 30, 2003 (Expressed in SDR Equivalent)	Proposed Re-allocated Amount of the Credit (Expressed in SDR Equivalent)	% of Expenditures to be Financed
(1)	Civil works (a) for DOF and LGED (excluding Part A.4)	3,700,000	2,990,000	85%
	(b) for BWDB	4,040,000	3,000,000	
(2)	Goods			100% of foreign expenditures, 100% of local expenditures (ex-factory cost) and 80% of local expenditures for other items procured locally
	(a) for DOF and LGED	1,300,000	1,450,000	
	(b) for BWDB	80,000	110,000	
(3)	Fingerlings	690,000	400,000	100% of expenditures excluding expenditures financed by local communities in accordance with paragraph 6(a)(ii) of Schedule 4
(4)	Incremental staff salaries and operating cost of DOF	3,500,000	2,780,000	100% in FY 2000; 80% in FY 2001; 60% in FY 2002; and 40% thereafter

Sl. No.	Category	Amount of the Credit Allocated As amended on January 30, 2003 (Expressed in SDR Equivalent)	Proposed Re-allocated Amount of the Credit (Expressed in SDR Equivalent)	% of Expenditures to be Financed
(5)	Consultants' services including private auditors; and NGO services, training, and livelihood support program:			100%
	(a) for DOF and LGED	610,000	700,000	
	(b) for BWDB	380,000	450,000	
	(c) for DOF to support NGO services,	-	250,000	
	(d) for DOF to support livelihood program	-	300,000	
	(e) for DOF staff training and workshop/seminar	-	100,000	
(6)	Unallocated	300,000	779,000	
	For Part Z ¹ of the Project:			
(97)	Civil Works	-	1,100,000	80%
(98)	Consultant's services	-	100,000	--
(99)	Unallocated	-	91,000	80%
	SUBTOTAL	14,600,000	14,600,000	
	(a) Amounts Cancelled as of January 30, 2003	6,000,000	6,000,000	
	TOTAL	20,600,000	20,600,000	

¹ Floods 2004 Recovery Assistance Program. Program details will be in Schedule 2 to the DCA.