

## Bangladesh : Rural water, Sanitation and Hygiene for Human Capital Development Project

### 1. Project Information

Project ID:	P000398	Instrument ID:	L0398A
Member:	Bangladesh	Region:	Southern Asia
Sector:	Water	Sub-sector:	Water supply, sanitation, and wastewater treatment
Instrument type:	<input checked="" type="checkbox"/> Loan:200.00 US Dollar million <input type="checkbox"/> Guarantee	Lead Co-financier (s):	World Bank
ES category:	B	Borrowing Entity:	Ministry of Finance, Bangladesh
Implementing Entity:	Department of Public Health Engineering, Bangladesh; Palli Karma-Sahayak Foundation		
Project Team Leader:	Ankur Agrawal		
Responsible DG:	Rajat Misra		
Responsible Department:	PSC1		
Project Team Members:	Yogesh Malla, SFD - Financial Management Specialist; Frances Larla Savella, SFD - Procurement Specialist; Jose Maria Marella, Project Counsel; Victoria Pimkina, Team Member; Victoriano Macasaquit, SFD - Environment & Social Development Specialist; Asma Bachikh, Back-up PTL; Jinghui Li, Project admin		
Completed Site Visits by AIIB:	Nov, 2021 World Bank and AIIB had a virtual implementation support mission from November 14 to November 24, 2021. Jun, 2022 World Bank and AIIB carried out a joint implementation support mission and visited three sites in the Manikgonj district. DPHE is building public toilets and hand washing stations. In addition, a small piped water system is proposed here. Construction of the public toilets and hand washing stations is already in progress while public consultations are being held for the small piped water system. Generally, it was found to be satisfactory. Jan, 2023 AIIB team along with the World Bank team visited conducted an implementation support mission. Jul, 2023 AIIB team along with the World Bank team conducted an implementation support mission from July 24 to August 2, 2023. Mar, 2024 Team of World Bank and AIIB team conducted an implementation mid-term review mission on March 2-9, 2024. Nov, 2024		

	AIIB and World Bank team conducted an implementation support mission from Nov 3-6, 2024  May, 2025  AIIB and World Bank team conducted an implementation support mission from May 3-8, 2025
Planned Site Visits by AIIB:	Nov, 2025 AIIB and the WB are planning a review mission along with site visits in Nov, 2025.
Current Red Flags Assigned:	0
Current Monitoring Regime:	Regular Monitoring
Previous Red Flags Assigned:	0
Previous Red Flags Assigned Date:	2024/12

## 2. Project Summary and Objectives

The project has two main objectives - (i) to improve access to 'safe-managed' water supply and sanitation in selected areas of rural Bangladesh; and (ii) to strengthen sector institutional capacity for water and sanitation. The project has six components (a) investments in piped water schemes to support water scarce communities; (b) investments in sanitation and hygiene facilities in priority public locations; (c) strengthening of policies and regulatory framework and capacity building of local institutions; (d) institutional capacity for project implementation and project management; (e) COVID-19 emergency responses by providing quick just-in-time WASH facilities where needed; and (f) Contingent emergency response - provisional zero amount component for reallocation of loan proceeds, if required.

The project is being implemented by two implementing agencies Department of Public Health Engineering (DPHE) and Palli Karma-Sahayak Foundation (PKSF). The implementation period is November 2020 to May 2025, loan closing date is November 20, 2025.

The total project cost is USD550.5 million, including a USD200 million loan from AIIB, a USD200 million IDA loan from the World Bank (lead co-financier), and a USD150.5 million counterpart funds through Government of Bangladesh.

## 3. Key Dates

Approval:	Oct. 16, 2020	Signing:	Feb. 18, 2021
Effective:	May. 11, 2021	Restructured (if any):	May. 15, 2024
Orig. Closing:	Nov. 20, 2025	Rev. Closing (if any):	

## 4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	131.78	Latest disbursement (amount/date):	14.98/Aug. 18, 2025

Undisbursed:	68.22	Disbursement Ratio (%) <sup>1</sup> :	65.89
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## 5. Project Implementation Update

### Implementation update for DPHE executed part:

- For the large-piped water schemes, contracts for all 54 schemes in 22 packages have been awarded and the implementation is progressing. Physical progress is about 11.25%; expected completion by October 2026.
- For small-piped water schemes: Average physical progress is about 83%. All contracts are progressing except three which are being retendered. A total of 1,287 schemes have been commissioned.

### Implementation update for PKSF executed part:

- A total of 93,387 water loans have been installed through MFI loans amounting to USD26.96 million.
- A total of 441,170 loans have been provided for the installation of sanitation and hygiene facilities amounting to USD119.43 million.

While the loan is scheduled to close in November 2025, works under several sub-projects are ongoing. An extension of 12-14 months is required to complete all planned activities. The request for extension from the borrower is awaited.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Investments in water supply	<p>DPHE: Contracts for all 54 large piped water schemes have been signed and the contractors have been mobilized. Physical progress is about 11.25%. Under the small pipe water supply out of 2,913 schemes, 1,926 have been completed.</p> <p>PKSF: 93,387 water loans have been disbursed against an overall target of</p>	<p>A Environmental and Social Management Plans (ESMP) have been prepared for Small Pipe Water Supply Schemes (SPWSs) and Large Pipe Water Supply Schemes (LPWSs).</p> <p>E&amp;S aspects were integrated into tender documents to ensure ESMP compliance throughout implementation particularly the Environmental and Social Code of Practice in the document.</p>	<p>Large-piped water supply: The tenders for all the 54 schemes under 22 packages have now been awarded.</p> <p>Small-piped water supply: 26 packages for 2913 schemes have been awarded.</p>

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

	120,000 .		
Component 2: Investments in sanitation and hygiene	<p>DPHE: 282 public toilets (out of 352), 418 sanitation facilities in health clinics (out of 500), and 780 renovation of sanitation facilities in community health clinics (out of 500) are complete while works under the rest are ongoing.</p> <p>PKSF: The household sanitation loan has been received by 530,264 poor and non-poor families for building toilets following different designs as of their affordability.</p>	<p>ESMPs have been prepared, and site-specific screenings have been conducted. The screening for Twin-pit Latrines was facilitated by Local Entrepreneurs (LEs) utilizing mobile apps, streamlining the process and enhancing efficiency in compliance monitoring and risk mitigation).</p> <p>During the reporting period, 83% twin-pit offset toilets which were inspected randomly had maintained safe distance (&gt;30 fts) from the source of drinking water, 75% of the inspected toilets maintained required gap of 3 feet between two pits while 25% toilets could not maintain safe gap due to space constraints which is same as the previous quarter. Out of 150 inspected toilets, 70% had been constructed by trained LEs and rest of 30% toilets had been constructed by trained Masons following the sanitation catalogue.</p> <p>The field monitoring report based on the sample of 1,132 toilet visits in June 2025 showed that 79.51% toilet have lockable door, 76.4% toilets installed in the nearby living room or room attached that ensure safety and privacy. The handwashing station, high commode and shower system with modern sanitation fittings have also found in the rural households.</p> <p>The project has trained more than 4,000 local entrepreneurs to develop sanitation markets, especially on two-pit toilet and running water supply system. The sanitation catalogue was developed and distributed to them to work efficiently. However, there is no women sanitation entrepreneur was found in this field. On the other</p>	<p>All 30 packages have been tendered and the construction works have been completed in 17 while the remaining packages are ongoing.</p>

		<p>hand, more than 300 female local entrepreneur have been developed, among whom 248 are active in 148 old and extended upazilas.</p> <p>A total of 130,617 Behavioral Change Campaign (BCC) sessions has been conducted, which is three times more than in the previous reporting period.</p> <p>Women empowerment has also been ensured by the economic development of women through Sanitary Napkin entrepreneurship. As of June 2025, a total of 244,343 sanitary napkin packets has been sold by the trained LEs. It is estimated that average regular clients vary from 30 -80 for each LE in every month but the number is increasing and goes beyond 200 by several LEs in each month with the assistance of POs or by themselves.</p>	
Component 3: Institutional strengthening	<p>Information Management &amp; Visualization System (DPHE,PKSF):</p> <p>The software development for Information Management &amp; Visualization System under the Project is complete. Both mobile and web applications are operational at present.</p> <p>Capacity Building DPHE: Orientation and training materials on awareness generation have been developed and BCC firms have organized orientation workshops.</p>	N/A	<p>The tender for consulting firm for capacity building and institutional strengthening has been completed and has been onboarded.</p>
Component 4:	Procurement of District	During the reporting period,	DPHE: Contract agreement

Project implementation and management	Coordinators and Consulting Firm: All District Level Coordinators have been onboarded and are conducting work at the district level.	<p>community consultation meetings continued at all levels. More than 9,000 ward level consultation meetings covering more than 1,80,000 participants have been conducted so far.</p> <p>Established 3,271 Water Management Committees with each having female Chairman or Vice Chairman.</p> <p>A total of 218 participants from the Safeguard team and Women LE in 08 Upzila attended trainings related to E&amp;S Safeguard and Gender issues such as Site Screening format, Gender Indicators on WASH (design, location, MHM, superstructure, pro-poor strategies etc.), Gender Action Plan of the project, GRM, responsibility of GRC, disclosure and documentation/reporting of grievances.</p> <p>Both DPHE and PKSF provide need-based training, orientation and coaching to the front level staffs. The purpose is to strengthen their capacities relating to target-focused implementation of WASH facilities, integrating project designed toilets their regular job-responsibilities. The Project formulates an appropriate and a well-defined policy, emphasizing need-based strategic directions to increases the non-credit members' access to the HSL &amp; HWL facilities and to introduce the incentive mechanism to partners organizations for each toilet construction.</p>	under Packages No.: RWSHP-SD- 11 & 12 (District Level Coordinator) has been completed and coordinators are already onboarded for the construction work at the district level as per their terms of references.  PKSF: The procurement of a firm to provide technical assistance to develop digital reporting system for PKSF has been completed.
Component 5: COVID-19 emergency response	Out of 882 handwashing station under the COVID-19 emergency response component, 825 are already completed and handed over to the relevant	All sites have been screened for potential environment and social issues.	All 12 works packages have been awarded.

		committee; overall physical progress is 95%.		
Component 6:	N/A		N/A	N/A
Contingent emergency response				

**Financial Management:**

In April 2025, audit reports for each of the implementing entity – DPHE and PKSf was received and reviewed by the WB. The WB observed some questionable expenditures totaling approximately BDT 2.18 million (USD0.2 million) and noted internal control deficiencies. The prior period's questionable expenditure is still under review, and the implementing agency has been requested to provide a detailed broad sheet outlining the current status of their resolution. The status will be reflected in the next PIMR.

**6. Status of the Grievance Redress Mechanism (GRM)**

The project established Grievance Redress Mechanism (GRM) at the central, district, Upazilas, and union levels to receive and evaluate concerns and complaints related to the project's environmental and social performance. Both DPHE and PKSf have Project Management Unit (PMU) staff to receive and address grievances. The escalation matrix to the Project Director/Project Coordinator also exists. A total of 1,070 Grievance Redress Committees (GRCs) had been formed – 942 at the union level, 85 at the Upazilas level, and 30 at the district level. There is a regular coordination and meetings between the PMU and Upazila level GRC to review and resolve the grievances. Issues and concerns related to grievances are included in the regular agenda in the Upazila Coordination Committee (UCC) meetings that also includes reports related to incident and/or accident.

From April 2025 to June 2025, one incident was reported relating to poor toilet construction quality which was mutually resolved. 03 grievances are reported, related to site issues and waste water issues, all 03 have been resolved. In the last quarter, a pending case of grievance has been resolved, and construction of the toilet is completed. As of June 2025, a total of 42 grievances is reported and all are resolved.

**7. Results Monitoring**

Result achievement is behind schedule as the overall project implementation progress is behind schedule. As works are still ongoing in many sub-projects, updated numbers will be reflected in the next PIMR.

**Project Objective:** Project Objectives are to: (i) improve access to 'safely-managed' water supply and sanitation in selected areas of rural Bangladesh; and (ii) strengthen sector institutional capacity for water and sanitation.

**Project Objective Indicators**

**Monitoring end year : 2025**

Indicator Name	Unit of Measure	Baseline	Actual (Previous)	Actual (Current)	Current Target	End Target
The number of people provided with access to 'safely-managed' water services (gender	Number	0	33,022	135,720	589,680	589,680

disaggregated indicator).						
The number of people provided with access to 'safely-managed' sanitation services (gender disaggregated indicator).	Number	0	1,326,463	1,427,062	3,618,900	3,618,900
# of Upazilas that established and are using the monitoring system.	NUmber	0	0	28	78	78

Comments:

### Intermediate Result Indicators

**Monitoring end year : 2026**

Indicator Name	Unit of Measure	Baseline	Actual (Previous)	Actual (Current)	Current Target	End Target
Amount of MFI financing mobilized (in BDT)	Number	0	1,174,810,053.00	2,986,510,725	12,190,000,000	12,190,000,000
The number of handwashing stations built with running water and soap available	Number	0	417,289	417,289	763,000	763,000
% of water quality tests that meet national standards	Percentage	0	47.39%	57.46%	80	80
% of households paying their water tariffs on time (i.e. collection efficiency rate)	Percentage	0	0	0	80	80
% of community water management committees whose chair is woman	Percentage	0	20	20	30	30

% of piped water schemes using solar photovoltaic (PV) as their main energy source	Percentage	0	0	0	10	10
# of LEs trained on 'safely-managed' WASH infrastructure	Number	0	2,785	2,785	2,340	2,340.00
The number of policy documents under the National Strategy for Water Supply and Sanitation adopted or endorsed	Number	0	0	0	4	4
# of public officials at the local level (Upazilas, UPs, health workers) trained	Number	0	4122	4122	18,600	14,718

Comments:

**Remarks:**

Updated numbers for CY2025 will be reflected in the next PIMR.