

Call - 981
FAP-26

2

BANGLADESH
ACTION PLAN FOR FLOOD CONTROL

2

FAP 26

BN-823
A-981



INSTITUTIONAL DEVELOPMENT
PROGRAMME

TERMS OF REFERENCE
FOR PROJECT FORMULATION

FAP-26

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FPCO

FLOOD PLAN COORDINATION ORGANIZATION
MINISTRY OF IRRIGATION, WATER DEVELOPMENT
AND FLOOD CONTROL

Dhaka, July 1991

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Dhaka, July 1991

FAP26 INSTITUTIONAL DEVELOPMENT PROGRAMME

PROJECT FORMULATION AND PREPARATION OF TERMS OF REFERENCE AND PROJECT DOCUMENT

INTRODUCTION

The aim of FAP26 Institutional Development Programme is to strengthen the institutions involved in the planning, implementation and running of projects and programmes in the Flood Action Plan (FAP). The Concept Note in Appendix 1 gives a background and outline of the project.

The formulation of the project and preparation of Terms of Reference (TOR), Technical Assistance Project Proforma (TAPP) and the UNDP Project Document (ProDoc) are the next steps. The first component of FAP26, FAP26A FPCO, is ongoing and is not included in this process.

The programme under consideration covers the Government institutions and the private sector. The former will comprise BWDB (FAP26B) and other agencies (FAP26C) concerned with the implementation and running of FAP. The latter will comprise local consultants (FAP26D1) and local contractors (FAP26D2) who will be involved in FAP.

UNDP has shown interest in providing technical assistance for the main programme and bilateral donors in certain aspects of the private sector elements (FAP26D1&2).

An institutional development specialist is required for a needs assessment study and to assist the Flood Plan Coordination Organisation (FPCO) in the preparation of TOR and ProDoc for the programme.

SCOPE

Objective

To identify the institutions to be involved in FAP, to make a provisional estimate of their roles and responsibilities, to provide a preliminary indication of their capabilities, to formulate and progress the Institutional Development Programme.

Output

Needs Assessment report, TOR, TAPP and ProDoc.

Programme

Figure 1 indicates the activities up to the start of the programme. The key dates are:

Needs Assessment Report	15 November 1991
TOR, TAPP and ProDoc	15 December 1991



TERMS OF REFERENCE

An Institutional Development Specialist is required for three months starting 15 September 1991, to assist FPCO in the preparation of an institutional development programme for FAP. The Specialist's terms of reference will be:

Month 1

1. In conjunction with the FPCO staff, FAP teams involved in regional or urban planning and in supporting activities/studies concerned with institutions, identify the institutions that are expected to take part in the planning, design, construction, operation, maintenance or management of structural and non-structural FAP projects and programmes and make a preliminary assessment of their roles and responsibilities.
2. Hold discussions with the relevant institutions (including BWDB, MPO, RRI, LGEB, Ministries of Relief, Fisheries etc and any others identified by the regional study teams) to determine their capabilities and capacities to undertake their respective tasks.
3. Prepare a working paper at the end of the first month, outlining:
 - identified institutions
 - roles and responsibilities
 - capacities and capabilities
 - possible strengthening, training and support needs

Month 2

4. Following a review of the working paper by FPCO, relevant FAP teams and concerned agencies including prospective donors, prepare a needs assessment report by the end of the second month. This report will consolidate and amplify the working paper, incorporating the results of the review and include outlines for the institutional development programmes.

Month 3

5. Assist FPCO in the identification and formulation of suitable packages for financing by bilateral donors.
6. Assist FPCO in the preparation of TOR and ProDoc for the Institutional Development Programme. These documents will be produced by the end of the third month.

In carrying out the above tasks the Specialist will generally follow the Concept Note (FPCO July 1991) and take account of the fact that the roles and responsibilities of the concerned institutions may not be finalised until well into the development programme.

QUALIFICATIONS

The short term Institution Specialist should be a suitably qualified professional, preferably with a post graduate degree in management/public administration, with at least 15 years with Government organisations particularly in the fields of training and institutional strengthening.



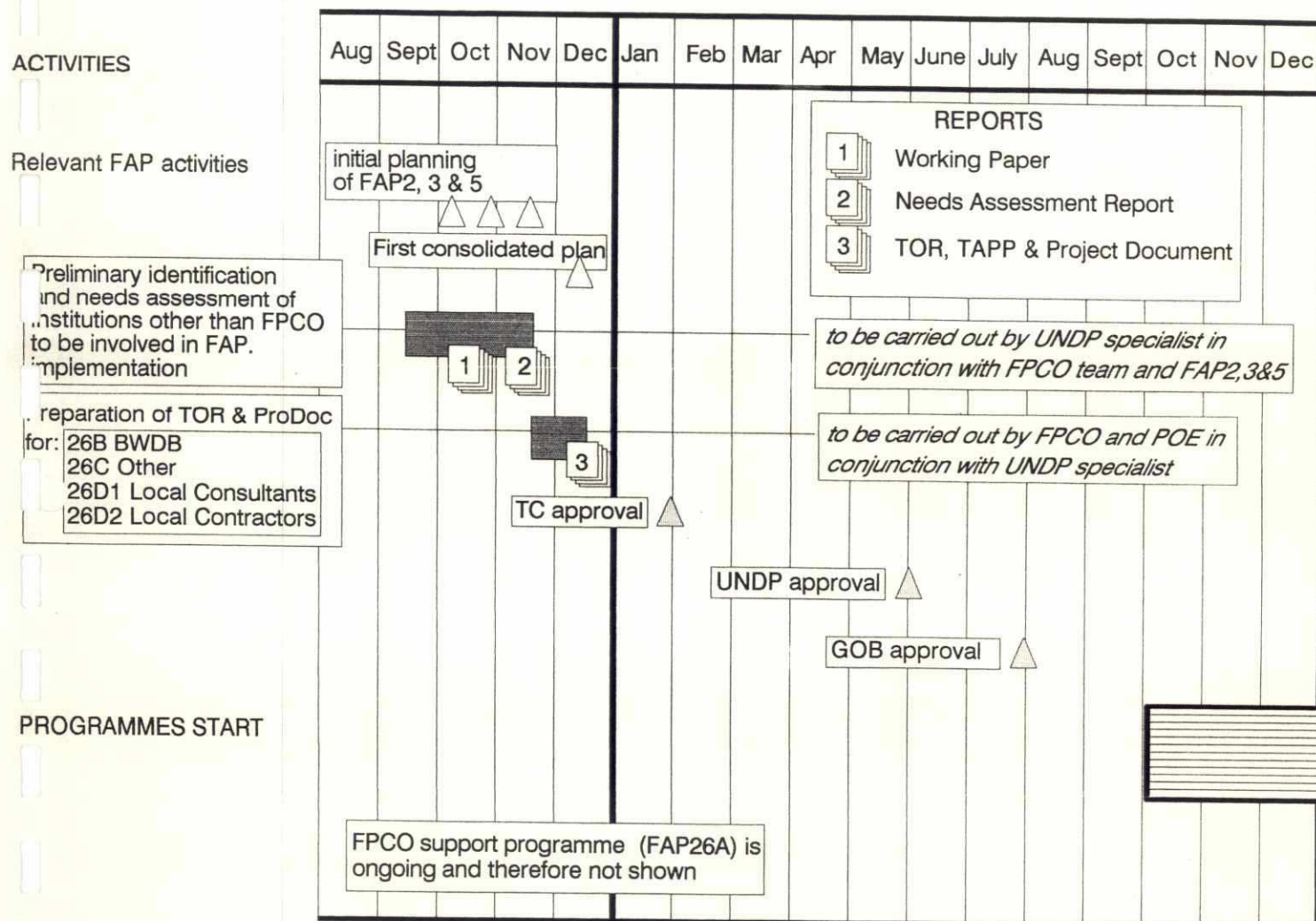


Figure 1 PROGRAMME FOR FAP26

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APPENDIX 1

FLOOD ACTION PLAN

**INSTITUTIONAL DEVELOPMENT
PROGRAMME**

CONCEPT NOTE

FPCO

**FLOOD PLAN COORDINATION ORGANIZATION
MINISTRY OF IRRIGATION, WATER DEVELOPMENT
AND FLOOD CONTROL**

Dhaka, July 1991

2/7/91

OUTLINE FOR FAP26 INSTITUTIONAL DEVELOPMENT PROGRAMME

1 BACKGROUND

- 1.1 The disastrous 1987 and 1988 floods in Bangladesh raised considerable international interest in helping the country to find a long term solution to its flood problem. As a result a five-year Action Plan for flood control in Bangladesh has been prepared jointly by the World Bank and the Govt. of Bangladesh. Unlike the previous master plan for flood control, the Action Plan takes a comprehensive view of the flood problems and seeks to develop and implement a long term plan of action for its mitigation by taking an integrated approach. While the basic strategy of the Plan consists of structural measures, the structures are to be designed and implemented in a manner that, among many other concerns, meet the requirements of agriculture, fisheries, navigation and environment. Accordingly the Plan envisages maximum possible popular participation by beneficiaries in the planning, implementation, operation and maintenance of flood protection infrastructure and facilities.
- 1.2 The above conceptualization calls for establishing a firm basis for inter-organisational linkages. Such linkage is partly the function of data and information relating to different phenomena. The plan has found out that in some vital areas current level of knowledge is highly inadequate or data base is virtually non-existent and, in other areas where such data do exist, these need further sophistication and updating. The Plan, therefore, has earnestly sought the carrying out of 11 supporting activities, at least 4 among them being of fundamental importance to water sector development projects. Geographic information system, topographic, mapping river survey programme and flood modelling are essential pre-requisites for the management and development of land and water resources of the country for all times to come.
- 1.3 Within the framework of an integrated approach, the Action Plan has outlined a five-year programme during 1990-1995. This is the first of several stages towards the development and implementation of a comprehensive flood control programme. The first two years of the Action Plan would be devoted to the regional and supporting studies, the next two years would mostly be taken up by project preparation and the final year would see the beginning of actual physical construction. The build-up of project portfolios should usher in a second five year plan of activities where implementation should dominate the scene with parallel activities in preparation of the next phase.
- 1.4 The Action Plan has been projected as a programme that consciously seeks to be more scientific in its approach, more encompassing in treatment of the scope of its basic work and more modest in its ambition to deliver the components on rather a tight schedule. The achievement of these goals is hindered by many institutional constraints. These need to be identified and ways found to cope with them.



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- 1.5 The Institutional Development Programme is one of the supporting activities and a thorough study will provide suggestions to strengthen the institutions involved in the Flood Action Plan. The Flood Plan Coordination Organization (FPCO) has been set up as an arm of the Ministry of Irrigation, Water Development and Flood Control (MOIWDFC) to assist it in all preparatory work relating to processing of the Action Plan components. This is in line with the practice followed by the Bangladesh Water Development Board (BWDB) where a number of Planning Directorates already exist for the purpose of project preparation, monitoring and evaluation. The role of FPCO vis-a-vis MOIWDFC, BWDB and other related agencies needs to be assessed. Its capacity and logistic support will also need close review for strengthening and modernization.

2. RATIONALE

FAP26, Institutional Development Programme is perceived as an umbrella project under which the organisational responsibilities are established, the institutional constraints identified and strengthening programmes carried out. Clearly the needs cannot be defined until the Flood Action Plan has begun to take shape, which is why FAP26 will not be started until the second year of the Action Plan.

The concept of FAP26 is based on the broad premise that FPCO will initiate the Plan through the supervision and coordination of planning and supporting activities and that the Plan will be implemented by BWDB, for the major works, and by other institutions, for minor and special projects. The private sector through the consulting and contracting industries will carry out planning, design and construction.

The programme has been structured to include all the above institutions. FPCO, although a temporary organisation, is the primary focus of the umbrella project, because unless it is really effective the Plan has little chance of success. This was recognised at an early stage and UNDP provided initial TA in early 1990. Further institutional strengthening and support is needed, not only for the remainder of the five-year Action Plan period, but also for future years where FPCO's coordination, monitoring and evaluation roles will be required to continue, albeit under another organisation. Therefore FPCO is designated as part of the programme - FAP26A. The strengthening of BWDB (FAP26B), specifically for its FAP role, is the next priority, followed by the other institutions (FAP26C) and the private sector (FAP26D).

UNDP and bilateral donors have expressed interest in providing technical assistance for FAP26. It is suggested that UNDP provides TA for the overall programme and that bilateral donors provide TA for special elements.

3. SCOPE OF WORK

- 3.1 The overall objective of the Institutional Development Programme is to strengthen the institutions involved in the Flood Action Plan (FAP), so that they may effectively fulfill their responsibilities through the various stages of the Plan.
- 3.2 Figure 1 shows a broad framework for the Institutional Development Programme. The predominant FAP activity in the first two years is regional planning supported by special studies, pilot projects and other activities. This first stage will see the start of project preparation, an activity which will dominate the second two-year stage. During this period, the implementation of the first FAP projects will start. Implementation will be in two parts: detailed design, cost estimates and contract documents followed by tendering and supervision of construction. The last stage of the five-year Action Plan will see a build-up in implementation activities and a start-up of new O&M systems.
- 3.3 The following broad assumptions have been made for the allocation of responsibilities for executing the Plan:
- **PLANNING, PROJECT PREPARATION & SUPPORTING ACTIVITIES:**
FPCO Main Executing Agency together with Plan Coordination, Quality Control, Monitoring and Evaluation.
BWDB Executing Agency for committed and special components
Other Agencies...for special specific activities
 - **IMPLEMENTATION:**
FPCO Coordination, Monitoring and Evaluation
BWDB Main Executing Agency
Other Agencies... for special specific activities
 - **OPERATION & MAINTENANCE:**
FPCO Coordination, Monitoring and Evaluation
BWDB Executing Agency for major works
Other Agencies... for special specific activities
- 3.4 The other agencies include the Ministry of Relief and Rehabilitation, Ministry of Agriculture, Ministry of Livestock and Fisheries, MPO, RRI, NGO's and Local Government bodies which may be involved in specific activities in FAP, but FPCO and BWDB are assumed to be institutions with the lead role in carrying out the Plan. Figure 2 shows the Plan cycles and a broad indication of the institutional roles for each stage of their development.
- 3.5 The general outline for the Institutional Development Programme, shown in Figure 1, envisages a series of activities extending to the end of the Plan period, and possibly beyond. The Programme would be phased to accord with the changes in emphasis in the development of the Plan.

- 3.6 Clearly FPCO and BWDB have to undergo significant strengthening to meet the demands of the Plan; in broad terms the former requires building up and the latter streamlining. The build-up of FPCO has started under current UNDP Technical Assistance provisions (BG 004 and 046).
- 3.7 FPCO was set up as a temporary organisation designed to establish and coordinate the Flood Action Plan and to monitor and evaluate its progress and performance. Its lifespan will extend to 1995, the end of the current Action Plan period. A review in 1994 will determine whether, how long or in what form it should be continued. Clearly its role in coordination, quality control, monitoring and evaluation should not cease and present indications are that these functions should probably be transferred to a permanent organisation.
- 3.8 The Plan places heavy reliance on local consulting firms. The capability and capacity of the firms will become critical constraints, particularly in the light of eventually reducing dependence on foreign consultants. Therefore the Programme will include a review of the consulting industry involved in the water sector and, if appropriate, the initiation of special strengthening programmes.
- 3.9 As the Plan progresses, the local contracting industry will become increasingly important. As for the local consultants, a review will be made of the local contractors' role in the implementation of the Plan and, where suitable, strengthening programmes carried out.
- 3.10 The programme can be summarised as follows:
 - **FAP26A FPCO** (currently proceeding under UNDP TA BG 004 & 046)
Firming up FPCO's responsibilities at the various stages of Plan development, establishing its requirements for professional and support staff, equipment and facilities, and carrying out programmes for improving effectiveness and providing support.
 - **FAP26B BWDB**
Firming up BWDB's role and responsibilities in the Flood Action Plan, establishing the Board's institutional needs and carrying out programmes for improving effectiveness and providing support.
 - **FAP26C OTHER AGENCIES**
Identification of the other institutions and agencies to be involved in the Flood Action Plan. Establish how these organisations can meet the needs of the Action Plan and what support programmes are required.

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- FAP26D PRIVATE SECTOR

FAP26D1 LOCAL CONSULTANTS

Review of the manpower requirements of the Action Plan, assessment of the ability of the private sector to meet the needs, identification of the constraints and deficiencies and, if appropriate, the design and initiation of special programmes for improving the capability (particularly management) of the local consultants.

FAP26D2 LOCAL CONTRACTORS

Assessment of the construction requirements of the Action Plan and the ability of the local contractors to meet the needs, together with the constraints and deficiencies. Review contracting procedures and examine methods of improving standards and performance. Design and carry out support programmes and programmes for improving capability as appropriate.

4 OUTLINE TERMS OF REFERENCE

The terms of reference are divided into the four components that constitute the Institutional Development Programme for carrying out the Flood Action Plan: FPCO, BWDB, Other Institutions and the Private Sector.

4.1 FAP26A FPCO STRENGTHENING AND SUPPORT PROGRAMME

Introduction

FPCO was established in December 1989 as an arm of the Ministry of Irrigation, Water Development and Flood Control to plan, coordinate, monitor and evaluate the Flood Action Plan. In early 1990, FPCO received support from UNDP through TA BGD/90/004 and BGD/89/046, the descriptions of which are given in Appendix xx. The following sections describe the activities undertaken in setting-up the various components of the Action Plan and the tasks to be carried out in coordinating, supervising, monitoring, evaluating and updating the Plan, together with the support requirements:

a) Stage 1 (on-going under UNDP TA to 31/12/91)

- Identify and formulate the Plan activities, prepare Terms of Reference, Project Concept papers and Technical Assistance Project Proformae for the Plan components, studies and pilot projects. This is work to be undertaken in close coordination with the donors and relevant ministries and agencies.
- Advise and assist the Ministry and the donors in all matters pertaining to the progressing of the Action Plan.


- Plan, coordinate and supervise the setting up and execution of the Plan activities including the other components of FAP26.
- Establish FPCO's responsibilities and organization. Draft responsibilities are given in the Appendix 2, together with the proposed organization.
- Firm-up FPCO's requirements for the following, taking into account the existing situation and provisions for procurement:
 - professional and technical staff
 - support staff
 - computers and computerised procedures
 - communication systems
 - micro-filing
 - library and data storage/retrieval systems
 - maps and cartography
 - printing and copying systems
 - office equipment and facilities
 - transport
 - miscellaneous
- Prepare procedures for coordinating and supervising the Plan activities. The procedures may include:
 - reviewing reports and technical notes with particular emphasis on quality control
 - coordinating Plan activities with special reference to FPCO's major task of maintaining the linkages that are necessary for a consistent Action Plan
 - supervising and monitoring of Plan activities through a systemised reporting procedure linked to a Plan Management System
 - guidelines and standards for benefit and cost estimating, analyses, mapping, reports etc.
- Develop a methodology for the participation of other ministries and agencies in the planning and project preparation of the Action Plan
- Provide the following support to FPCO to enable it to effectively undertake the above activities:
 - a panel of local and international experts, together with visiting specialists, to advise and assist FPCO in the planning and management of its activities
 - local consultants to support/supplement FPCO staff, equipment, transport, office facilities etc.



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Stage 2 (extension of UNDP TA 1/1/92 to 31/12/94)

- Review FPCO's role over the next three years, together with its relations and interactions with other institutions which will be involved in the execution of the Plan.
- Identify and specify FPCO's supplementary requirements over the next three years for personnel, equipment, transport and facilities generally.
- Advise and assist FPCO in the procurement of equipment, materials and facilities.
- Advise and assist FPCO in planning, coordinating, supervising, monitoring and evaluating the Plan activities.
- Advise and assist FPCO in consolidating the regional plans to arrive at an overall plan, including liaison and coordination with other agencies, particularly BWDB, MPO and RRI
- Provide visiting specialists (local and foreign) to train ^{and} assist FPCO personnel in, for example, the following:
 - development of technical and managerial skills with the provision for external training (possibly under bilateral aid programmes).
 - procedures and techniques for reporting, coordination, communications, presentations etc
 - hardware (computer networks, printers and copiers, microfilers, digitisers, etc)
 - software (project management, desktop publishing, data handling, mapping & GIS, graphic applications etc)
- Outline the opportunities for introducing new or improved procedures for coordination/liaison (with particular attention to other ministries and other organizations), reporting, standardizing documentation, reproduction and dissemination etc and design courses for upgrading FPCO's technical capacity.
- Review the current situation in the institutions which may be involved in the execution of the Plan, determining their future roles and assess their procedures and capabilities for undertaking FAP activities with special attention to the linkages with FPCO. Due account should be taken in the relevant FAP studies of the institutional factors associated with the participation of beneficiaries and disadvantaged groups in the execution and management of projects. Involved organizations will include:
 - BWDB (see Section 3.2)

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- MPO, RRI, SoB, SPARRSO and others associated with data collection/management, information technology and continuing studies/research
 - Ministries of Relief & Rehabilitation, Livestock & Fisheries, Forestry & Environment, Local Government, Cooperatives and Rural Development, etc., together with NGO's and others who may be associated with implementation and operations.
 - Continue support to FPCO to enable it to effectively undertake the above activities by the provision of:
 - a panel of local and international experts, together with visiting specialists, to advise and assist FPCO in the planning and management of its activities
 - local consultants to support/supplement FPCO staff, equipment, transport, office facilities etc
 - Prepare quarterly and annual reports describing progress and results of the Action Plan.
 - Prepare special reports on overall planning and on specific aspects.
 - Prepare a final report in October 1994 which will describe the achievements of the Plan and proposals for future activities.

4.2 FAP26B STRENGTHENING OF BWDB

Introduction


During 1991, the regional and other planning studies will identify a series of projects that will be taken up by the Action Plan for implementation. In some cases, namely FAP3.1, Jamalpur Priority Project, feasibility studies (project preparation) will have started with a view to the implementation process beginning in early 1993. Another form of project starting even earlier will be the pilot projects, FAP20 Compartmentalisation and FAP21/22 Bank Protection and Active Flood Plain Management. Therefore with construction work starting in the 1991/92 dry season, the institutional arrangements for implementation require priority consideration. BWDB will be the basic implementation agency for the Action Plan. It will interact effectively with FPCO whose role will move to the monitoring, evaluation and coordination of the overall Plan, with MPO and RRI whose participation in FAP planning and research will develop, and with other agencies, such as the Ministry of Relief and Rehabilitation, LGEB, Livestock & Fisheries, NGO's etc., who will be responsible for non-structural and other specialised elements of the Plan. LGEB may have a major role to play in the implementation of minor works associated with compartmentalisation.

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These TOR concern BWDB's role in the Flood Action Plan and do not cover BWDB's other investment activities except where they may be indirectly affected by FAP.

Phase 1

- Carry out a brief review of the Flood Action Plan and assess institutional requirements for implementation.
- Assess the capabilities and constraints of the organisations that are likely to be involved in the implementation of the Plan.
- Examine previous organisational studies carried out on BWDB.
- Establish the BWDB's role and responsibilities in the Action Plan and outline the institutional requirements for carrying out its tasks. Prepare details of Phase 1, which would include the following:
 - institutional and organisational proposals
 - training programmes
 - equipment requirements
 - office facilities etc
- Define BWDB's relationship with FPCO.
- Prepare an Inception Report at the end of month 2 which will describe the approach and methodology together with the workplan for Phase 1.
- Detail BWDB's responsibilities in the implementation of the Flood Action Plan, assess its foreseeable workload to year 2000, establish the organisation within BWDB needed to carry out these tasks, including staff requirements, and prepare job descriptions/responsibilities, taking due account of the applicability of decentralisation.
- Examine the procedures, rules and processes under which BWDB currently operates, establish where procedural improvements are needed and make recommendations for their implementation. The aspects to be examined include:
 - procurement of consultants
 - planning and project preparation
 - detailed design, cost estimating & contract documents
 - tendering and supervision of construction
 - operation and maintenance
 - special studies, surveys and pilot projects
 - procurement and supply of equipment etc.
 - quality control.

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- Confirm the concerned BWDB departments (including hydrology and cartography) and the requirements for:
 - professional, technical and support staff
 - computer hardware and software
 - data handling systems
 - printing and copying systems
 - office equipment, facilities etc
 - Review the current organisations and procedures in BWDB together with existing proposals for improving its effectiveness. Assess how the latter, particularly the recent Project Delivery System, can be incorporated in a programme for setting-up a special division in BWDB to undertake FAP implementation.
 - Examine ways to improve BWDB's ability to coordinate and interact with other agencies.
 - Prepare a report in month 4 which will detail the requirements for Phase 2.

Phase 2

- Depending on the agreed programme, arrange for procurement of equipment, materials and facilities, for the provision of visiting specialists and for special training programmes (including bilateral aid programmes).
- Supervise, monitor and review progress, prepare quarterly reports on the performance of the programme in BWDB and submit a final report in month 18. The final report will evaluate the performance and results of Phase 2 and will assess the need for and, if appropriate, include details of, a continuation of a support institutional programme for BWDB.

Phase 3

- In accordance with the findings of Phase 2 and with the agreement of GOB, undertake a continued and possibly extended support programme for BWDB.

4.3 FAP26C OTHER INSTITUTIONS

Introduction

By the beginning of 1992, the broad spectrum of FAP projects will emerge. It is expected that these will include non-structural as well as structural projects, probably being implemented in parallel. For

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example, FAP3.1 feasibility study may propose structural elements such as a main embankment with its structures, main drainage improvements and compartmentalisation together with non-structural elements such as flood forecasting, disaster preparedness and flood proofing. The main implementing agency would be BWDB, but other institutions would have special roles, for example:

- LGEB for construction and O&M of minor compartmentalisation works.
- Ministry of Relief and Rehabilitation for disaster preparedness.
- BRDB and NGO's ? for flood proofing.

In addition to FPCO and BWDB, other institutions would be involved in planning and support activities in the Action Plan. MPO would be responsible for incorporating FAP into the National Water Plan and into the Five Year Plans, if necessary modifying the proposals from FPCO. MPO would also provide the essential data base for planning, design, GIS etc.. RRI would be expected to undertake the medium and long term river studies that are essential to future FAP activities.

Phase 1

- Identify agencies other than FPCO and BWDB who would be involved in the planning, design and implementation of the Action Plan.
- Assess their possible future roles in FAP, together with linkages and interactions with the other concerned agencies, particularly FPCO and BWDB.
- Prepare an Inception Report at the end of month 2 which would highlight the policy issues and describe the approach, methodology and workplan for Phase 1.
- Set-up a series of meetings with the concerned agencies to discuss the Action Plan requirements and to assess the response to implementing discrete elements or participating with the main executing agencies.
- Examine the current procedures, regulations and processes used by these agencies.
- Make a broad assessment of the agencies' strengths and weaknesses and examine ways of enhancing capabilities and capacities to meet the additional requirements of the Action Plan.
- Prepare a report at the end of month 4 containing the following for each of the concerned agencies:
 - proposed roles and responsibilities in FAP

- programmes for institutional improvements and strengthening (including possible bilateral aid training programmes).
- requirements for undertaking these programmes under Phase 2.

Phase 2

- Depending on the agreed programmes, arrange for the procurement of equipment, materials and facilities, for the provision of visiting specialists and for special training programmes.
- Initiate the institutional development programmes for selected agencies. It is envisaged that each agency will have different programmes but linked where appropriate according to their requirements.
- Supervise, monitor and review progress, prepare quarterly reports on the performance of the programmes.
- Prepare a report in month 18 which will evaluate the performance and results of the Phase 2 programmes. The report will also assess the needs for and, if appropriate, include details of continued institutional development programmes.

Phase 3

- In accordance with the findings of Phase 2 and with the agreement of GOB, continue the programmes, probably with the emphasis on training.

4.4 FAP26D PRIVATE SECTOR

FAP26D1 LOCAL CONSULTANTS

Introduction

The Action Plan started at the end of 1990 with various study activities. In general these are being carried out by foreign and local consulting firms in association; without exception the foreign firms are taking the lead. While this is expedient in the first instance and possibly even desirable to use the best available international talent to start-off the Action Plan, it can only be considered a stop-gap solution. As the Plan unfolds and the work of preparing, designing and supervising construction increases, so will the demand increase for consultancy services. If the local consulting industry is to meet this demand, as it

undoubtedly must, the foreign consultancy role must move from the executive to the advisory. The rate at which this can happen depends on the development of the local consultants' capability. The ultimate aim would be to eliminate all dependence on foreign consultants, although international cooperation, particularly with research institutions, should remain.

At the present time there is limited indication that local consultants have the capability and capacity for effective management of the FAP activities. There appears to be no shortage of talent and technical know-how, however the mobilisation and synthesis of this resource seems to be lacking. Certainly placing team leadership in the hands of foreign firms provides little incentive for the local firms to supply their best.

This component of FAP26 is designed to redress the situation by seeking and providing solutions to strengthen and support the local consulting industry.

Phase 1

- Review the requirements of the Flood Action Plan for consultancy services.
- Identify the constraints and deficiencies, and assess the ability of the local consultancy industry to meet the needs.
- Develop the rationale and concept for a strengthening and support programme after in-depth discussions with:
 - a cross-section of local firms
 - selected foreign firms
 - local consultants' bureau
 - relevant ministries and executing agencies
 - relevant donor agencies
- Prepare a concept paper giving the broad scope, methodology and outline activities and provisions for a strengthening and support programme.
- Following discussion and approval of the outline programme, prepare details such as workplans, manpower inputs, time schedules, financial provisions etc. During preparation it would be necessary to maintain effective consultation with consulting firms and assess their response at all stages. Programmes may include:
 - **Technical Assistance:** special training courses for staff in business development, personnel, finance, administration and technology, all with the view of improving the management capability of local firms. Technical training of professionals will probably not be appropriate under this programme. However there

is a need for broader technical training/upgrading in non-engineering fields. Special links with foreign firms (particularly for professionals to gain practical project experience) and strengthening the national consultants' bureau could be considered.

- Financial Assistance: credit schemes for capital purchases of equipment, instruments, transport and for investments in staff recruitment, training and other facilities.
- In month 4 prepare a report which would review the current state of the industry, assess the needs and describe the proposed programmes in sufficient detail to justify, and proceed with, implementation.

Phase 2

- Following approval of the report arrange for, and carry out, special programmes for upgrading local firms. These may take the form of sub-contracts, or separate projects.
- Supervise, monitor progress and evaluate the results. Prepare a report in month 18 (after one year's operation) which would contain proposals for continuation as appropriate.

Phase 3

- Depending on the findings of Phase 2, continue the programmes.

FAP26D2 LOCAL CONTRACTORS

Introduction

The main FAP implementation programmes are expected to start towards the end of 1994, with some construction work on pilot projects starting in 1993. The additional workload on the local contracting industry has yet to be assessed, much depending on the amount of investment and the type of construction. This assessment will not be fully meaningful till about mid 1994 when the Fifth Five Year Plan will be formulated; however, in the meantime, some institutional studies can be initiated.

Phase 1

- At the start of 1993 carry out a review of Bangladesh's construction industry with special reference to the BWDB's contracts. The review will cover:



- types of contractors
- types of contracts
- procurement procedures: tendering, estimating, awards, bonds etc.
- contract documents: general and special conditions
 - : specifications
 - : bills of quantities and schedules of rates
 - : measurement and payment provisions
 - : variation orders etc..
- plant and equipment
- methods of construction
- labour and labour relations
- quality control and quality assurance
- supervision
- delays, claims, litigation etc
- corporate aspects: finance, cash flow, personnel, marketing, planning etc
- contractors strengths and weaknesses

- Assess the constraints facing local consultants and examine the options available for improving the industry. Make detailed recommendations for improving procedures (in close cooperation with FAP26B, BWDB) and general recommendations for improving technical, management and financial performance. Liaise closely with the contractors and assess response to proposals.

Prepare the following reports:

- Inception Report after 6 weeks, outlining initial findings and policy issues
- Phase 1 Report in month 4, describing results of the review and recommendations for Phase 2.

Phase 2

- Depending on the findings of Phase 1, undertake programmes to improve existing procedures (or to introduce new procedures) to reduce the constraints facing contractors.

- In consultation with local contractors examine methods of improving corporate performance, technical output and quality control. Formulate special programmes, which may include:

- management training
- staff training
- credit schemes for purchasing or leasing plant, equipment etc.
- specialist advisors, possibly "twinning" with foreign contractors

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- On a pilot basis undertake these special programmes for selected contractors.
 - Monitor the response and results of the pilot programmes and make recommendations for the continuation and/or expansion in Phase 3.

Phase 3

- Depending on the findings of Phase 2, continue the programmes; possibly expanded to increase the number of contracting firms, to strengthen the plant hire business (reducing dependence on supply from BWDB) and to introduce a federation (or association) of local contractors.

