



Brussels, 14.12.2015
C(2015) 9336 final

COMMISSION IMPLEMENTING DECISION

of 14.12.2015

**on the Annual Action Programme 2015 part 2 and 2016 part 1 in favour of Bangladesh
to be financed from the general budget of the European Union**

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action¹, and in particular Article 2 (1) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002², and in particular Article 84(2) thereof,

Whereas:

- (1) The Commission has adopted the Multi-annual Indicative Programme for the period 2014-2020³, which provides for the following priorities: i) Strengthening Democratic Governance, ii) Food and Nutrition security, iii) Education and skills Development.
- (2) The objectives pursued by the Annual Action Programme 2015 part 2 and 2016 part 1 to be financed under the Development Cooperation Instrument are to assist the Government of Bangladesh to 1) Strengthening democratic ownership and accountability mechanisms; 2) Reducing food insecurity and malnutrition; 3) Contributing to sustained and equitable economic growth through an inclusive, demand-driven and interlinked skills development system.
- (3) Action entitled "Platforms for Dialogue Project - Strengthening Inclusion and Participation in Decision Making and Accountability Mechanisms in Bangladesh" has the overall objective of strengthening democratic ownership and accountability mechanisms in Bangladesh. The specific objective of the Action is to promote a more enabling environment for the effective engagement and participation of the citizens and the civil society in decision making and oversight. The Action is to be implemented in indirect management.
- (4) Action entitled "Food and Nutrition Security programme for Bangladesh 2015" has the overall objective of contributing to reduce food insecurity and malnutrition in Bangladesh. The specific objective of this Action is to improve maternal and child nutrition. The Action will have three components. The first will be implemented in direct management through a direct award of a grant; the second component will be implemented in indirect management; the third component will be implemented in direct management through a call for proposals.

¹ OJ L 77, 15.03.2014, p. 95

² OJ L 298, 26.10.2012, p. 1

³ Commission implementing decision C(2014/5718)

- (5) Action entitled "Skills 21 - Empowering citizens for inclusive and sustainable growth" has the overall objective to contribute to Bangladesh sustained and equitable economic growth. The specific objective of this Action is to increase productivity and better employment opportunities through an inclusive, demand-driven, and interlinked skills development system responding to the needs of the labour market. The Action is to be implemented in indirect management.
- (6) It is necessary to adopt a financing decision the detailed rules of which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012⁴.
- (7) It is necessary to adopt a work programme for grants the detailed rules on which are set out in Article 128(1) of Regulation (EU, Euratom) No 966/2012 and in Article 188(1) of Delegated Regulation (EU) No 1268/2012. The work programme is constituted by the Annex 2 (sections 5.3.1 and 5.3.3).
- (8) The Commission should entrust budget-implementation tasks under indirect management to the entities specified in this Decision, subject to the conclusion of a delegation agreement. In accordance with Article 60(1) and (2) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that these entities guarantee a level of protection of the financial interests of the Union equivalent to that required when the Commission manages Union funds. These entities comply with the conditions of points (a) to (d) of the first subparagraph of Article 60(2) of Regulation (EU, Euratom) No 966/2012 and the supervisory and support measures are in place as necessary. The International Labour Organisation (ILO) is currently undergoing the assessment under Regulation (EU, Euratom) No 966/2012. In anticipation of the results of this review, the authorising officer responsible deems that, based on the entity's positive assessment under Council Regulation (EC, Euratom) No 1605/2002⁵ and on the long-standing and problem-free cooperation with it, budget-implementation tasks can be entrusted to this entity.
- (9) The authorising officer responsible should be able to award grants without a call for proposals provided that the conditions for an exception to a call for proposals in accordance with Article 190 of Delegated Regulation (EU) No 1268/2012. The recourse to an award of a grant without a call for proposals is justified in Annex 2 section 5.3.1.
- (10) It is necessary to allow the payment of interest due for late payment on the basis of Article 92 of Regulation (EU, Euratom) No 966/2012 and Article 111(4) of Delegated Regulation (EU) No 1268/2012.
- (11) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, the Commission should define changes to this Decision which are not substantial in order to ensure that any such changes can be adopted by the authorizing officer responsible.
- (12) The measure provided for in this Decision is in accordance with the opinion of the Development Cooperation Instrument Committee set up by Article 19 of the financing instrument referred to in Recital 2.

⁴ Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

⁵ Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 248, 16.9.2002, p.1).

HAS DECIDED AS FOLLOWS:

Article 1

Adoption of the measure

The Annual Action Programme 2015 part 2 and 2016 part 1 in favor of Bangladesh to be financed from the general budget of the European Union, as set out in the Annexes, is approved.

The programme shall include the following actions:

Annex 1: Platforms for Dialogue Project - Strengthening Inclusion and Participation in Decision Making and Accountability Mechanisms in Bangladesh

Annex 2: Food and Nutrition Security programme for Bangladesh 2015

Annex 3: Skills 21 - Empowering citizens for inclusive and sustainable growth

Article 2

Financial contribution

The maximum contribution of the European Union for the implementation of the programme referred to in Article 1 is set at EUR 118 000 000 and shall be financed for an amount of EUR 41 050 000 from budget line 21.02 02 of the general budget of the European Union for 2015 and for an amount of EUR 76 950 000 from budget line 21.02 02 of the general budget of the European Union for 2016.

The financial contribution provided for in the first paragraph may also cover interest due for late payment.

The implementation of this Decision is subject to the availability of the appropriations provided for in the draft budget for 2016 after the adoption of the budget for that financial year or as provided for in the system of provisional twelfths.

Article 3

Implementation modalities

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the attached Annexes 1, 2 and 3, subject to the conclusion of the relevant agreements.

The Section “Implementation” of the Annexes to this Decision sets out the elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012.

Grants may be awarded without a call for proposals by the authorising officer responsible in accordance with Article 190 of Delegated Regulation (EU) No 1268/2012.

Article 4

Non-substantial changes

Increases or decreases of up to EUR 10 million not exceeding 20 % of the contribution referred to in the first paragraph of Article 2, or cumulated changes to the allocations of specific actions not exceeding 20 % of that contribution as well as extensions of the

implementation period shall not be considered substantial within the meaning of Article 94(4) of Delegated Regulation (EU) No 1268/2012, provided that they do not significantly affect the nature and objectives of the actions. The use of contingencies shall be taken into account in the ceiling set by this Article.

The authorising officer responsible may adopt such non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 14.12.2015

For the Commission
Neven MIMICA
Member of the Commission



This action is funded by the European Union

ANNEX 1

of the Commission Implementing Decision on the Annual Action Programme 2015 part 2 and 2016 part 1 in favour of Bangladesh to be financed from the general budget of the European Union

Action Document for "Platforms for Dialogue Project – Strengthening Inclusion and Participation in Decision Making and Accountability Mechanisms in Bangladesh"

1. Title/basic act/ CRIS number	Platforms for Dialogue Project – Strengthening Inclusion and Participation in Decision Making and Accountability Mechanisms in Bangladesh CRIS number: DCI-ASIE/2015/037-700 financed under Development Cooperation Instrument			
2. Zone benefiting from the action/location	Bangladesh - The Action geographical coverage will be 21 districts in all seven divisions of the country (three districts per division).			
3. Programming document	EU Multi-Annual Indicative Programme (MIP) 2014-2020 for Bangladesh			
4. Sector of concentration/ thematic area	Priority Sector 1: Strengthening Democratic Governance			
5. Amounts concerned	Total estimated cost: EUR 13.000.000 Total amount of EU contribution EUR 13.000.000			
6. Aid modality(ies) and implementation modality(ies)	Project Modality Indirect Management with the British Council			
7. DAC code(s)	15150 - Democratic participation and civil society			
8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships	not relevant			

Summary:

In the four decades since independence, Bangladesh has made remarkable progress in extending basic infrastructure, social services and economic opportunities to a population of more than 156 million people. Nevertheless, the weaknesses of the governance system, the high level of centralisation and limited citizens' participation have all posed a major risk to the inclusiveness of Bangladesh's growth and to the consolidation of the democratic process. The country has made significant policy commitments to reverse this trend and to improve the responsiveness and accountability of the State to the citizens. The organised civil society, known worldwide for its vibrancy and engagement, has an important responsibility in the achievement of these goals but requires space and capacity to effectively contribute to and influence policy making. The EU under its Multi-Annual Indicative Programme 2014-2020 (MIP, Priority 1 "Strengthening Democratic Governance") will assist the Government of Bangladesh (GoB) and the organisations of the civil society (CSO) in their mutual efforts to achieve a more inclusive, transparent and accountable system of governance in the country in line with the "Vision 2021" agenda and the 7th Five Years Plan. The policy framework provides opportunities conducive to strategic actions which the Platforms for Dialogue project can catalyse to assist GoB in broadening civil society participation in governance and decision making. The EU Delegation has designed the strategy in close cooperation with the Cabinet Division (CD) Coordination & Reform Unit and civil society actors which are actively engaged in promoting change in the policy and practice environment. The Platform for Dialogue project was designed to support this process.

The **overall objective** of the Action presented in this Document is to strengthen democratic ownership and accountability mechanisms in Bangladesh. **The specific objective** of the Action is to promote a more enabling environment for the effective engagement and participation of the citizens and the civil society¹ in decision making and oversight. To achieve this objective, the Action will be organised around three converging Result Areas:

- Result Area 1: *"CSOs' ability to influence government policy and practice raised through better accountability to and more effective representation of citizens' interests";*
- Result Area 2: *"Accountability and responsiveness of government officials raised through enhanced capacity building of decision makers and engagement with CSOs";*
- Result Area 3: *"New tools and policy platforms for more effective dialogue between citizens and government are developed and utilised".*

This Action is part of a broader strategy of engagement with the civil society developed by the EU Delegation in the framework of the Council Conclusions "The Roots of Democracy" and CSO Roadmap, and in the context of the EU+ joint programming process.

¹ Recognising civil society in its broadest sense as representing the associational activity of the citizen

1. CONTEXT

1.1 Country context

The proposed Action will contribute to the consolidation of democratic ownership in Bangladesh by fostering more strategic participation of the civil society in decision making and oversight at the central and the local levels. This intervention is coherent with the assumptions made in the MIP that the establishment of efficient and transparent institutions is closely related to citizens' demand for accountability and with overall commitments to strengthen both the supply and the demand sides of democratic governance.

1.1.1 Public Policy Assessment and EU Policy Framework

In its Vision 2021 and associated Perspective Plan 2010-2021, and in the draft 7th Five Years Plan, Bangladesh sets out to accelerate its economic and social progress over the next decade and to become by 2021 a Middle Income Country (MIC) rooted on democratic and pluralistic institutions, where citizens enjoy fundamental rights and freedoms and public accountability is built on transparency and participation. The GoB recognises that achieving this goal requires working in partnership with a wide spectrum of development institutions, the private sector, the Civil Society Organisations (CSOs) and the people themselves.

The civil society has been very strong in Bangladesh historically. In the last forty years, service delivery and advocacy NGOs have made a major contribution to the development of the country, bringing services to the poorest and influencing policy decisions in important sectors like women's rights, disaster management, education, all areas where interests were shared. Today service NGOs are still the most prominent expression of the Bangladeshi civil society. However, the civil society is also progressively diversifying to include a variety of organisations, formal and non-formal CSOs, such as representation, advocacy and watchdog CSO, campaigning and citizen groups, the media, professional associations, trade unions. In the graduation towards the MIC status, this diverse and pluralistic civil society, if provided with the necessary space, will play a critical role to ensure that policy making remains pro-poor and supportive of the development and democratic process of the country.

The Constitution of Bangladesh enunciates the fundamental freedoms of civil society (art 37 Freedom of assembly; Art 38 Freedom of association; Art. 39 Freedom of thought, conscience and of speech); legal provisions are in place to regulate CSOs registration and operations, and *invited spaces*² exist for CSO consultation in the policy process. Furthermore, the government programmatic framework increasingly refers to the role and responsibility of the CSOs as development, governance and policy actors. The Government has also clearly identified the CSOs as pillars of the national integrity system. The 2012 National Integrity Strategy (NIS)³ fully acknowledges the role of the CSOs in opening spaces for the citizens, in generating demand and exerting pressure for better democratic governance. Under the overall NIS framework, the Government is also fully committed to broadening the right to information and the power to act upon it through the implementation of the 2009 Right to Information (RTI) Act; to ensuring relevance, transparency and accountability of central and local service providers, through citizens' participation in the definition and monitoring of the second generation of Citizens' Charters (CC); to setting-up a functioning and user-friendly Grievance Redress System (GRS) allowing the citizens to lodge complaints, to track the action taken in handling such cases and to hold the

² Initiated and led by the authorities

³ Following Bangladesh ratification of the United Nations Convention against Corruption (UNCAC) in 2007

concerned ministries and public service providers to account. These accountability mechanisms are also amongst the features introduced by 2009 Local Government Acts, which have incorporated fundamental dimensions of good governance in an effort to strengthen downward democratic accountability aspects and impact of local government on local development. At this level, issue-based CSOs stemming from citizen's self-organisation (citizens committees, welfare groups, women, youth or press clubs, or labour unions) have shown a high potential to mobilise people in the interaction with the local authorities, creating demand, facilitating people's access to decision making and accountability mechanisms, and the monitoring of their roll-out.

In spite of this, the reality of the political, policy and practice environment remains a major challenge for the effective engagement of civil society and the CSOs in governance and decision making. To make the situation more complex, a security narrative linking civil society activities to the threat of terrorism has also led the authorities to monitor more closely some sections of the civil society, generating concerns that this may create opportunities to stifle the basic freedoms of the civil society provided for by the law. Amongst the most debated Acts are the Information and Communication Technology (ICT) Act (2013, amendment), regulating the use of the digital media and the new draft Foreign Donations (Voluntary Activities) Regulation Act (FDRA, 2014) regulating CSOs receiving foreign funds.

In this context, the EU and the Development Partners have initiated a dialogue with the GoB and the CSOs to support them in the process of strengthening the enabling environment for civil society, in line with constitutional principles and international standards. The Action proposed in this document is part of this important endeavour.

1.1.2 Stakeholder analysis

Main stakeholders can be indicated as follows:

Main Interlocutor and Beneficiary: Cabinet Division (CD) - The CD coordinates the functioning of the Government and its programmes. Its Coordination & Reforms Unit is very forward looking, reform oriented and open to positive changes to the ways the government engages with citizens. The CD is responsible for the implementation of the National Integrity Strategy (NIS), the activation and effective implementation of the Right to Information Act (RTI) and other social accountability mechanisms such as the Citizens' Charters (CC) Initiative and a functional Grievance Redress System (GRS) linked to a performance management mechanism being monitored by the CD itself. The CD acknowledges the need to engage the CSOs as facilitators in policy implementation and oversight; it has proactively contributed to the definition of the strategy and agreed to this Action Document. Given its functions, the CD is a key interlocutor and the most strategic counterpart on the government side.

Main target groups and direct beneficiary: the citizens and their associations - the civil society and its organisations play a key role as advocates for inclusive and pro-poor policy making, good governance and accountability. If empowered and provided space they can influence policy decisions and ensure sustained change. The Action will engage the general public and specifically the people at risk of marginalisation (indigenous groups, women, young people, the disabled) as well as a broad base of CSOs representing them, such as community based organisations; development, advocacy and watchdog organisations; CSO structures (networks), the media and professional associations both at the grassroots and at the central level.

Target groups/beneficiaries of selected actions:

- **Ministry of Public Administration (MOPA)** and its **training institutes** (Bangladesh Public Administration Training Centre (BPATC) and Bangladesh Civil Service Administration Academy

(BCSAA)): The Ministry is in charge of formulating civil service policies and ensuring capacity development of the civil service. MoPA expressed an interest to work with the EU in the development of capacity building programmes on leadership development and inclusive governance for civil servants and public officials at both central and local level. With a view to fostering institutional sustainability, in the formulation and delivery of these programmes the Action will engage the Bangladesh Public Administration Training Centre (BPATC) and Bangladesh Civil Service Administration Academy (BCSAA), the two major training agencies under MoPA.

- **Ministry of Local Government, Rural Development and Cooperatives** - The Local Government Division of the Ministry is responsible for the management and the strengthening of local government institutions and for the implementation of social, economic and infrastructure development activities. The Ministry emphasised the need to empower the civil society (and the youth in particular) to bring innovation and build more accountability in local governance. Officials from the Ministry and field administrations will be part of the target group.
- **Upazila Parishad/Union Parishad** - The Upazila Parishad (UzP, 486 sub-district council) and the Union Parishad (UP, 4500 union council) are the two lowest tiers of government in rural areas in Bangladesh. They coordinate many aspects of local social and economic development but they need to improve their own capacity to engage in more inclusive and participatory local governance implementing the provisions of the 2009 Local Government Acts. The project will strengthen the capacity of the UP and UZP elected representatives to collaborate with the civil society in building more inclusive and accountable governance at the local level.
- **NGO Affairs Bureau (NGOAB)** - The NGOAB, under the Prime Minister Office, is the regulatory body of foreign funded NGOs and it is an important interlocutor of both the NGOs and Development Partners. The NGOAB oversees the implementation of the NIS by foreign funded CSOs. The Action can therefore be instrumental to foster NGOAB and CSOs dialogue in the operationalisation of the NIS. It is also expected that NGOAB officials will take part to project capacity building and institutional strengthening activities concerning the roll-out of the NIS, RTI, CC and GRS which the NGOAB itself is bound to implement. Opportunities will be identified in consultation with the Cabinet Division, the NGOAB itself and the CSOs to engage the NGOAB as possible throughout the project.

1.1.3 Priority areas for support/problem analysis

Two distinct but complementary sets of problems have been identified: one set concerns CSOs capacity to engage with the citizens and the institutions; the other concerns the policy and practice environment, the rules of engagement and the accountability mechanisms linking government institutions, the CSOs and the citizens⁴. These include the following:

Main problems concerning the civil society/CSOs:

- The level of understanding among citizens, particularly the most vulnerable groups, including indigenous groups, the women and youth, is very low about their rights, the way to voice and claim them. The language and the tone of the policy discourse and the failure to use appropriately social marketing techniques to engage meaningfully with citizens results in the exclusion of the poor and marginalised, but also the wider society, causing their disengagement from the public policy arena.

⁴ The analysis of the problems and of the priority areas for intervention derives from the 2013 Joint EU Political Economy Study, the 2013 CSOs Mapping study and the 2014 EU Roadmap for Engagement with Civil Society, as well as workshops held with GoB and the CSOs in December 2014 and January-February 2015.

- Only the elite of the Bangladeshi civil society has access to government invited spaces and is in a position to claim spaces for advocacy and policy influencing. Small or medium sized CSOs mainly engage in voicing functions through networking, campaigning or street rallies. Grassroots level CSOs/CBOs (citizens committees, welfare groups, women, youth, press clubs or workers associations) have a high level of credibility and good potential to mobilise people but there is little capitalisation on their role, even though these constitute avenues for association and collective expression on which governance and policy engagement can be built up.
- Client-patron dynamics, scarcity of resources and fears of reprisal (particularly for watchdog and advocacy CSOs) cause fragmentation within the civil society. CSOs lack safe and neutral spaces to form positions, develop coalitions, broaden participation and influencing capacity of the civil society in governance spaces.
- CSOs are often challenged by weak internal governance and capacity issues (including the inability to generate and make use of evidence) and they are criticised for paying stronger attention to government and donors' requirements (upward accountability) than to the demands of their constituencies and beneficiaries (downward accountability). This negatively affects CSOs' legitimacy and accountability in the public perception and, in a polarised environment, makes them vulnerable to criticism, political branding and isolation.

Main problems concerning government institutions:

- The rules of engagement between Government and CSOs are not clear and therefore not conducive to ensure transparency and accountability of decision making processes. Consultations are held on an ad-hoc basis upon the decision by the concerned authority, as a result of CSO advocacy efforts or personal contacts. "Invited spaces" for civil society consultations are sometimes distorted by the political environment, elitism and patronage. There is a need for more viable and predictable frameworks structuring government and CSOs relations.
- Inclusion in governance is hindered by political influence, corruption and traditional culture of closed and elite oriented administrative practices, by which civil servants and elected leaders lack capacity and motivation to engage citizens and CSOs. There are questions of trust, particularly towards watchdogs and right-based CSOs.
- Government is still unequipped to ensure effective implementation of existing accountability mechanisms or to track compliance of its own key policies. Specifically, despite the growing number of designated officers who are being appointed by the Government under the NIS and the RTI Act, there are challenges to empower them to effectively discharge their statutory role in line with policy provisions, while citizens' charters initiatives and grievance redress mechanisms are yet to be made functional, known and accessible by the citizens. CSOs are engaged in generating demand and monitoring the roll out of these policies at the local level but mainly on a pilot basis and with limited opportunity to provide feedback and influence policy development.
- Local government's response capability is limited due to budget constraints, political influence, client-patron relations and corruption. Inclusive government mechanisms would ensure better accountability, transparency, cost-effectiveness and inclusiveness of local decision making.

2. RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
Political and institutional Risk: the volatility of the political environment and the innovative nature of the Action may raise some resistance from	M	The Action derives from a strong commitment from the Cabinet Division and is embedded in ongoing GoB-EU- Development Partners' dialogue on democratic governance.

GoB.		
Regulatory risk: tightening of regulations on foreign funding to CSOs may negatively impact on CSOs operational capacity and the implementation of donor funded projects.	M/H	1. Transform any possible blockages in opportunities for dialogue on the enabling environment for the civil society; 2. Delegate the implementation of the project to an EU MS organisation with solid experience in the management of similar actions in the country;
Institutional capacity risks related to CSOs: at the outset of the Action only a few CSOs (with experience of dialogue with decision makers) will have the capacity to engage in governance, influence decision making and policy dialogue.	M	At the central level, the Action will engage credible professional CSOs which already participate in decision making processes; at the local level, a modular approach to capacity development will be adopted, ensuring that CSOs are progressively enabled to engage in the policy space and equipped to make a meaningful contribution to policy dialogue.
Socio-cultural attitude and corruption as cross-cutting risks: patron-client relations, polarisation and corruption may pose challenges to the implementation of the Action.	M/H	All the actors concerned will be engaged in collaborative networks grounded on agreed accountability standards (neutrality, use of evidence in advocacy, mutual commitment, third party monitoring);
Institutional capacity risk related to Government: Development Partners' projects may create pressure on the Cabinet Division and reduce its absorption capacity.	M	Coordination among donors and clear division of labour will be ensured in the framework of this project; in the meantime, the Cabinet Division has already increased its personnel to support the process of implementation.
Assumptions: both GoB and CSOs maintain the same level of interest and support for such type of initiative as shown so far; both GoB and CSOs will be more inclined to collaborate as long as they are given equal space and equal access to the resources mobilised by the Action; the Action creates strong incentives for both government and civil society to work together.		

3. LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1. Lessons learnt

The most important lessons learnt so far in EU development cooperation interventions with GoB and CSOs are: **1.** A big portion of the EU development assistance to Bangladesh is provided through service delivery CSOs/NGOs. Only in a small percentage of projects CSOs act as independent policy actors, and an even smaller percentage engage in more sensitive, political issues such as government and accountability. There is a need to broaden support for CSOs that work to keep decision making accountable and democratic spaces open for citizens to interact with the state. **2.** Several donor funded local governance projects focus on the strengthening of local government institutions, covering a few Upazila Parishad and Union Parishad and addressing selected development issues linked to specific MDGs. Others only focus on CSOs empowerment. To strengthen democratic ownership, strategies have to engage both government and the CSOs, recognise them as actors in their own standing and contribute to their dialogue through capacity development on both sides; **3.** Studies and consultations with CSOs concluded that specific stakeholders groups like women, youth, indigenous people are often targeted as "beneficiaries" of CSO projects rather than engaged as citizens and right holders; in this

intervention these groups will take a leading role in the identification of policy and rights issues of their concern, in the identification of the solution and in the implementation of relevant response strategies. 4. A debate is emerging on the meaning of "civil society" and the accountability relations between the CSOs, their beneficiaries, the government and the private sector; however there have been no spaces to foster this debate; the Action is designed to engage in this discussion a broad base of stakeholders including the civil society; 5. CSO interventions focusing on the activation of inclusive governance mechanisms and social accountability tools provide sporadic experience and ensure only narrow coverage which results in limited impact in terms of policy influencing; there is a need to consolidate the lessons learnt and feed them into the policy cycle.

3.2 Complementarity, synergy and donor coordination

Complementarity and synergy with EU funded projects: By creating demand and strengthening CSOs as actors of governance and development, the project is complementary to: 1. the Union Parishad Governance Project (UPGP) and Upazilla Parishad Governance Project (UZGP) which work to make the local government capable, transparent, efficient and pro-poor 2. The Activating Village Courts in Bangladesh project (AVCBP) which works with both the UP level government and citizens to provide access to justice to the poor. 3. The Access to Land project, which tackles a critical governance and right issue of public concern, where CSOs play a key role in awareness raising and policy advocacy.

The Action is also complementary and synergic with the EU funded **Thematic Programme CSO-LA** which will support capacity development for CSOs in governance and accountability mechanisms. Lesson sharing and cross-fertilisation opportunities will be sought between the proposed project and the CSOs beneficiaries of the Thematic Programme. Some of the CSOs implementing EU grants under the Thematic Programme may be exposed to the capacity building activities or participate in the advocacy coalitions that will be established under the Action.

Complementarity and synergy with EU MS/Development Partners projects, including EU added value: the Action will be highly synergic and complementary to ongoing Development Partners' initiatives bringing value added at the operational and policy level.

Demand-side initiatives:

- DFID's Transparency, Accountability and Right to Information project (TARIF): implemented by the British Council (BC), TARIF supports government and civil society initiatives to improve transparency and accountability in business regulation and climate financing. *The EU will complement this effort by focusing on transparency and accountability aspects of public governance.*
- DFID's Community Legal Services (CLS) project: partially implemented by the British Council, the project has established service quality standards for legal aid NGO. *The EU will expand this experience by developing quality standards for both CSOs internal governance and CSO service provision applicable across-sectors.*
- British Council's Active Citizens (AC) project: the project trains youth from 54 districts in the skills and knowledge needed to affect social change. *The EU may engage the youth trained by the AC project by extending its project activities to some of the 54 AC districts; at the same time it may carry forward the experience by engaging youth in some of the non-beneficiary 10 districts.*

Supply-side initiatives:

- DFID-funded World Bank's technical assistance (TA) to the Cabinet Division and the Information Commission: the project develops supply side compliance with the RTI Act, (i.e. responsiveness to RTI requests and proactive disclosure of information). *The EU will mainly focus on the demand*

side, engaging the CSO in the activation of the RTI at the grass-roots, from broadening access by the citizens, to the monitoring of its implementation and provision of feedback to the decision makers.

- ADB "E-Solutions" project with the Cabinet Division: the project has designed the software for an online grievance redress system (GRS) and its management. *The EU will support the Cabinet Division in the roll out of the system (internal to government where it will be linked to performance management and government accountability), in generating demand amongst the citizens (end-users), and in the monitoring of the implementation of the system by the CSOs.*
- The Prime Minister's Office Access to Information (a2i) Programme, implemented with technical support from UNDP and USAID: the project aims to increase access to services and information by establishing e-service delivery centres in all 4,545 UPs. The Action will build capacities amongst CSOs and communities to access and use these resources to demand transparency and accountability. *The EU intervention will enable the CSOs to facilitate citizens' access to information, to act upon it using existing accountability mechanisms, to monitor the implementation of policy provisions and provide the decision makers with feedback on their effectiveness.*
- JICA's Technical Assistance to the CD in the implementation of NIS Implementation Action Plans at the national level: *the EU will complement this initiative (which ends in 2016) by providing NIS related management trainings to government officials at the central and at the local level; by raising officials and citizens' awareness of the NIS and by operationalizing the NIS in the CSOs sector through the development of quality standards for CSOs internal governance and service provision.*

Added value of EU intervention:

As suggested above, the added value of the EU intervention lays in its innovative integrated approach whereby both government and civil society actors are engaged under one project framework, in recognition of their specific and complementary mandates; capacity building and institutional strengthening support is delivered to both with a view to influencing both the demand and the supply side of the accountability mechanism. The Action connects all concerned actors through an incremental approach leading to the establishment of much needed collaborative relations between government and CSOs and the opening of spaces for their policy dialogue.

It is also envisaged that this Action will provide feedback to and inform the dialogue on civil society issues that takes place in the Governance Working Group (GWG) of the Local Consultative Group (LCG), a policy dialogue platform between GoB and Development Partners. The GWG (currently chaired by the EU) has recently invited CSOs to become members and has already provided space to jointly discuss the enabling environment for the civil society. This is a positive change which needs to be further strengthened and sustained.

3.3 Cross-cutting issues

The intervention integrates the **right-based approach** and as such promotes awareness and exercise of rights and duties on both government and civil society side. The project provides safe spaces and resources to advocate for and raise awareness on rights to freedom of expression and information, freedom of peaceful assembly, freedom of association, and public participation as cross cutting issues. **Gender equality and Women Empowerment:** The Action will engage women leaders and women organisations (i.e. women forums) and foster their representation in governance and decision making by creating opportunities for their capacity building, by opening spaces for advocacy, and by increasing their access to accountability mechanisms. The Action will also try to engage at least 50% women in government-related capacity development opportunities. **Good governance and accountability:** the

initiative promotes both the accountability of the actors and of the institutional processes. It challenges patron-clients relations and corruption by publicly mobilising a diversity of civil society and government actors in public forums at the central and the local level around issues of good governance and accountability. **Inclusion and empowerment:** the Action will emphasise the role CSOs can play at the local level to build more inclusive governance. The inclusion of the marginalised groups in the activation and empowerment of the civil society will allow these to move away from the status of "beneficiaries" or "invisibles" and take up the role of actors on their own standing. **Resilience:** the strengthening of communities' resilience (social, environmental etc.) will be an indirect cross-cutting effect of the empowerment of communities and CSOs to demand transparency, accountability and responsiveness from both the private and public sector.

4. DESCRIPTION OF THE ACTION

4.1 Objectives/Results

The **overall objective** of this initiative is to strengthen democratic ownership and improve accountability mechanisms in Bangladesh.

The **specific objective** is to promote a more enabling environment for the effective engagement and participation of the citizen and civil society in decision making and oversight.

The project intervention is articulated in three key-results areas:

Result Area 1: CSOs' ability to influence government policy and practice raised through better accountability to and more effective representation of citizens' interests;

Result Area 2: Accountability and responsiveness of government officials raised through enhanced capacity building of decision makers and engagement with CSOs;

Result Area 3: New tools and policy platforms for more effective dialogue between citizens and government are developed and utilised.

4.2. Main Activities

Overall, the project will work across all 7 divisions and 21 districts to be identified following a strategic assessment of ongoing relevant initiatives, potential synergies and resulting multiplication effects. Implementation will therefore follow a modular approach: during year 1 the project will work in 3 Divisions; following review at the end of year 1, and appropriate revisions to the methodology, in years 2 and 3 the project will be rolled out to a further 4 Divisions (2 each year), to ensure that the approach and methodology are tested in a diverse range of areas for possible universal applicability nationwide.

Result Area 1: CSOs' ability to influence government policy and practice raised through better accountability to and more effective representation of citizens' interests

The Action will start with the roll out of wide coverage social marketing campaigns aimed to raise people awareness and knowledge of their rights and to empower them to claim those rights within the society and with the duty bearers. Strong focus will be on the empowerment of the most vulnerable groups like women, youth, and indigenous people amongst others. The Action will engage self-motivated rights-based CSOs in tailor-made training programmes responding to unmet demands for capacity development. Amongst these, CSOs seeking new participation spaces will be assisted to

engage in multi-actor partnerships (MAPs) that may evolve into issue-based coalitions. These will be grounded in a solid rights-based conception. The Action will assist these coalitions in identifying problems and use available channels and tools (integrity committees, right to information act, citizens charters, grievance redress system) to promote locally driven solutions through pilot actions (supported by small funding). The coalitions will be enabled to engage with the decision makers at the appropriate level so as to promote institutional and policy change. Quality standards will be designed to enhance CSOs' internal governance, the quality of their services and their accountability towards their constituencies and wider communities. By doing so, opportunities will be provided for the CSOs to proactively operationalise the NIS and showcase self-regulation as part of a simplified and more conducive regulatory framework for CSOs; standards will also provide assurance to government in relation to the development of common grounds for engagement under Result Area 3.

Key activities will be rolled out at two levels (Outreach Activities and Pilot Actions) and may include the following:

Outreach activities with broad coverage:

1.1 Social marketing campaigns to raise citizens' and community leaders' knowledge of people's rights and institutions that guarantee those rights; contribute to changing perceptions of attitude towards the role and actions of civil society; and to encourage behavioural change in claiming rights and proactive engagement of the citizens;

1.2 Strengthening institutional capacity of CSOs, CBOs, community groups and the media on the rights-based approach to development, tools for evidence-based advocacy and policy engagement, as well as use of social accountability mechanisms, such as integrity committees, citizens charters, the RTI and GRS;

1.3 Development, piloting and roll out of quality standards for CSOs to improve CSOs governance, increase quality of CSO services and accountability to constituencies and beneficiaries;

Pilot Actions:

1.4 Development of issue based Multi Actor Partnerships (MAPs) involving coalitions of CSOs, citizens and other stakeholders around locally owned policy issues and potential solutions; coaching of MAPs on possible tools and mechanisms to support the implementation of MAPs projects;

1.5. Capacity building to local government officials on inclusive governance, to support their collaboration with CSOs in the implementation of MAPs;

1.6 Set-up of district-level InfoHubs, namely civil society outreach centres (to be sustained through criteria-based social enterprise development) providing local, neutral, convening spaces for MAPs and wider citizens' engagement, as a locale for information sharing, capacity building, coordination, and dissemination;

1.7 Definition and implementation of frameworks for follow up dialogue with government on specific policy issues at the local level (for instance land policy, justice, use of budgetary resources, environment and climate change, nutrition, as relevant ...);

1.8 Scaling up of MAPs advocacy actions into platforms for policy dialogue at the higher level;

Result Area 2: Accountability and responsiveness of government officials raised through enhanced capacity building of decision makers and engagement with CSOs

The Action will build the capacity of government officials at different levels to manage processes and systems with high standards of transparency and accountability. Capacity building will include mechanisms and practical pathways to effectively achieve integrity and responsiveness of government

by ensuring inclusive (by way of CSOs' engagement) and accountable (by way of making NIS, RTI, CC and GRS functional) governance in Bangladesh. Capacity building will be delivered through the Bangladesh Public Administration Training Centre (BPATC) and the Bangladesh Civil Service Administration Academy (BCSAA) so as to reach out to a broad number of target groups, ensure greater government's ownership and sustainability of results. Experience sharing, relation building and networking between GoB officials and EU/EU MS officials on a peer-to-peer level will provide opportunities for mutual learning and pave the way to GoB-EU high level dialogue in the field of democratic governance (contributing to Result Area 3).

Key activities may include the following:

2.1 Training of senior civil servants (Deputy Secretaries, Joint Secretaries, Additional Secretaries, and Secretaries) in consultation, facilitation and management techniques (identification of stakeholders, diversity management, consensus building, management of disputes, transparency and accountability of process);

2.2 Capacity building of senior civil servants in performance management for accountable governance, (with a focus on coordination, policy analysis, change management, management of development dynamics, understanding global perspective, strategic planning) linking staff performance and organization's performance;

2.3 Continuous professional development on leadership and inclusive governance for key national and local government stakeholders (i.e. Members of Parliament, Upazila chairman, key administrators at district and upazila levels), as well as CSOs and other local non-state actors (e.g. local business representatives).

2.4. Capacity building to government officials on the implementation of the NIS, RTI, Citizen's Charters and GRS (linked to Result Area 3);

2.5 Capacity building of Bangladesh Public Administration Training Centre (BPATC) and the Bangladesh Civil Service Administration Academy (BCSAA) to support the institutionalisation of training delivery in agreed areas;

2.6 Capacity building of government officials in communication strategies that positively shape public opinion and experience, using social marketing techniques.

Result Area 3: New tools and policy platforms for more effective dialogue between citizens and government are developed and utilised.

The Action will assist the Cabinet Division in the strengthening of core systems and processes related to the roll out of the NIS. The focus will be on assisting the Cabinet Division to improve sector-specific citizens' charters and making them functional, drawing from contributions from the civil society. Under Result Area 3, the Action will also assist the Cabinet Division in operationalising a user-friendly web-based Grievance Redress System enabling the citizens to lodge complaints online and to track the actions taken. The CSOs engaged in the project under Result Area 1 will have a strong role in raising awareness, generating demand and facilitating access to these mechanisms thus assisting the Government in their roll-out. The Action will convene relevant CSOs at the national level to review and provide constructive feedback on the implementation of these mechanisms. Common grounds for engagement and a compact for CSO-Government dialogue will be designed, laying the foundations for a more level playing field for CSO engagement in relevant sectors of policy dialogue.

Key activities will include the following:

3.1 Support to the finalisation and implementation of citizens' charters in ministries, divisions, departments, agencies and local level providers following a participatory approach (engagement of CSOs and citizens).

- 3.2 Support to the operationalisation of the online GRS system⁵, including tracking and monitoring performances of the ministries on implementing GRS;
- 3.3 Set-up third party monitoring system for NIS, RTI, CC and GRS implementation, progress and performance, with clearly articulated and shared definition of forms of engagement between GoB and CSOs;
- 3.4 Developing and finalizing a Compact or Policy Dialogue Framework for CSOs engagement in agreed policy spaces;
- 3.5 Development and institutionalisation of Government-CSO policy dialogue platform(s)

4.3 Intervention logic

The intervention logic has been designed taking into consideration the outcomes of preliminary work carried out by the EU Delegation with the launch of a CSO Mapping Study, the CSO Roadmap process, the workshops and the consultations held with GoB and CSOs organised in the framework of the project identification and formulation missions between January and July 2015.

The overall approach is to engage both government and civil society emphasising mutual responsibilities and complementarity of mandates and build respective capacity to engage in more inclusive governance processes before opening spaces for the two interlocutors to interact at the policy level. The Action connects the local level to the national level enhancing links between CSOs, increasing their engagement with local and national government and the range of methodologies that they use to both understand and document the environments in which they work.

The Action strengthens the accountability of CSOs to the communities and their beneficiaries whose voices they can enable to be more appropriately represented. The Action also builds an approach which provides the Government with assurance of good practice of CSOs in their work. Conversely, it creates opportunities for the citizens and CSOs to access government mechanisms which promote transparency and accountability to the citizen and the exercise of their rights of redress.

Finally, interventions build a core understanding between government (at both local and national level) and civil society of the ways in which contributions from civil society to the policy and decision-making processes can be formalised (level playing field). The Action will deliver a compact for engagement on CSO-government relations applicable to policy making across sectors and set the parameters for a future wider, more active, transparent and accountable engagement.

The Action acknowledges the importance of knowledge and attitudes as drivers for engagement and action. Interventions will need to build the capacity of all stakeholders in managing the perceptions of their interlocutors as a trigger for changing behaviours.

A key emphasis of the project is on building the capacity of CSOs and Government so that these skills go beyond the lifetime of this project. The interventions will be fully documented, evaluated and reviewed, to provide a clear route map and framework for future interventions.

⁵ It has been clarified with the Cabinet Division that under no circumstances will the EU be expected to work on software development.

5. Implementation

5.1 Financing agreement

In order to implement this Action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

5.2 Indicative implementation period

The indicative operational implementation period of this Action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) to Regulation (EU) No 566/2014.

5.3. Implementation Modalities

5.3.1 Indirect management with a Member State agency

This Action may be implemented in indirect management (delegation agreement) with the British Council in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation entails capacity building to empower citizens and CSOs to interact with the decision makers at the central and the local level; developing standards for CSOs that enhance their governance, the quality of their services and their accountability to the beneficiaries; provide capacity building to government institutions, civil servants, elected leaders and the CSOs to operationalise the National Integrity Strategy, the Right to Information Act, Citizens Charters and Grievance Redress System with participatory approach; develop common rule for engagement between government and CSOs for CSOs' participation in policy dialogue; achieving effective, strategic platforms for dialogue, informed by evidence derived from practice.

This implementation modality is justified because the British Council is considered to have the required experience and capacity to strengthen governance and the civil society in Bangladesh. The British Council currently engages with civil society across a broad range of nationwide programmes. The EU intervention will largely benefit from the British Council's Active Citizens' programme which provides wide access and networks to local civil society and stakeholders at the government level across 54 out of 64 districts in the country. The British Council is an implementing partner on the DFID-funded Community Legal Services (CLS) programme, with responsibility for capacity-building and developing quality 'operational' standards and leads on the delivery of the DFID-funded TARIF (Transparency, Accountability, and Right to Information Fund) programme, which supports a coherent set of government and civil society initiatives to improve transparency and accountability in targeted thematic areas. Through the above programmes but also a long-standing presence in country (with offices in Dhaka, Sylhet and Chittagong) and its in-house Civil Society team, the British Council has established very good relationships and networks at all levels, whether at grassroots or government (e.g. Cabinet Division) level, and gained trust and engagement of stakeholders to ensure the necessary buy-in and support. It also has extensive experience in project start up and implementation.

The entrusted entity will carry out the following budget implementation tasks, notably: conducting procurement, awarding grant contracts, managing the resulting contracts and carrying out payments to contractors and beneficiaries.

5.4 Scope of Geographical Eligibility for Procurement and Grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.5 Indicative budget

Implementation modality	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
5.3.1 - Indirect Management with British Council (Delegation Agreement)	12 650 000	0
5.8 – Evaluation, 5.9 - Audit	150 000	0
5.10 – Communication and visibility	200 000	0
Total Euro	13 000 000	

5.6 Organization Set up and Responsibilities

A Project Steering Committee (PSC) will be set-up by the implementing partner, the British Council, to oversee project coordination and implementation among ministries and divisions. It will provide overall strategic guidance, policy guidelines, assess aspects of project progress against targeted results for government-related aspects. The PSC will meet at least once a year. Ad hoc meetings will be organised whenever necessary. The PSC will be chaired by the Cabinet Division and co-chaired by the EU represented by the EU Delegation. The PSC membership will include the Economic Relations Division (ERD) of the Ministry of Finance and officials from line Ministries and government bodies that will be involved in the implementation of the Action. Some CSO representatives and other relevant stakeholders may also participate as members. The membership will be defined in detail during the project inception phase.

A Supervisory Management Board (SMB) chaired by EU and comprising of representatives from GoB, CSOs and the implementing partner (British Council) will be set up to provide the overall strategic guidance for the project in order to guarantee overall coherence. The SMB will cross-check all deliverables to ensure consistency at the different implementation levels – central and local. The SMB should ideally meet every four months. The SMB will be informed about project proceedings and milestones to ensure that innovative approaches are adopted and fed into the policy dialogue. The EU will retain an active participation and engagement in the project management in line with the policy dialogue process.

The British Council will establish a separate project office in Dhaka which will be light touch, with clear roles and oversight mechanisms. It will consist of a mix of core positions (full time) and key

advisory positions (part time), with significant Bangladesh and/or Civil Society/Government capacity-building experience. The British Council will establish an internal Quality Assurance Group (QAG) with the purpose of reviewing and ensuring balanced collaboration between civil society and government participants and other diverse stakeholders involved in delivering the three results areas.

5.7 Performance Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this Action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the Action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the Action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the Action. The final report, narrative and financial, will cover the entire period of the Action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8 Evaluation

Having regard to the importance of the Action, a final evaluation will be carried out for this Action or its components via independent consultants contracted by the Commission.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision).

The Commission shall inform the implementing partner at least 2 months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, one service contract for evaluation services shall be concluded at the end of the implementation period.

5.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this Action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements. Indicatively, one contract for audit services shall be concluded at the end of the implementation period.

5.10 Communication and Visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The Action has allocated an indicative budget of EUR 200 000 (section 5.5 above) for communication and visibility activities to be implemented in direct management through one service contract, tentatively in the first quarter of the first year of implementation.



This action is funded by the European Union

ANNEX 2

of the Commission Implementing Decision on the Annual Action Programme 2015 part 2 and 2016 part 1 in favour of Bangladesh to be financed from the general budget of the European Union

Action Document for the Food and Nutrition Security programme for Bangladesh 2015

INFORMATION FOR POTENTIAL GRANT APPLICANTS WORK PROGRAMME FOR GRANTS

This document constitutes the work programme for grants in the sense of Article 128(1) of the Financial Regulation (Regulation (EU, Euratom) No 966/2012) in the following sections concerning calls for proposals: 5.3.3.; and in the following section concerning grants awarded directly without a call for proposals: 5.3.1.

1. Title/basic act/ CRIS number	Food and Nutrition Security Programme for Bangladesh 2015 CRIS number: DCI-ASIE/2015/037-414 financed under Development Cooperation Instrument
2. Zone benefiting from the action/location	Bangladesh The action shall be carried out at the following location: countrywide for component 1 (with project team in Dhaka), Sylhet Division for component 2 and countrywide for component 3.
3. Programming document	European Commission Development Cooperation Instrument Multi Annual Indicative Programme 2014-2020 for Bangladesh
4. Sector of concentration/ thematic area	Food and Nutrition Security
5. Amounts concerned	Total estimated cost: EUR 126 500 000 Total amount of EU budget contribution EUR 85,000,000. The contribution is for an amount of <i>EUR 8 050 000 from the general budget of the European Union for 2015 and for an amount of EUR 76 950 000 from the general budget of the European Union for 2016 subject the availability of appropriations following the adoption of the relevant budget.</i> This action is co-financed in joint co-financing by: - USAID for an amount of EUR 7 000 000 for component 1 This action is co-financed in joint co-financing by: - DFID for an amount of EUR 27 400 000 for component 2 - This action is co-financed by potential grant beneficiaries for an indicative amount of EUR 7 100 000 for component 3

6. Aid modalities and implementation modalities	Project Modality: - Direct Management: Grant – direct award (direct management) to the Food and Agriculture Organisation of the United Nations (FAO) - Component 3; Grants – call for proposals (direct management) - Component 3; procurement - Indirect management with UK Department for International Development (DFID) - Component 2			
7. DAC code(s)	52020- food aid and food security programmes			
8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships				

SUMMARY

The rate of undernutrition in Bangladesh is among the highest in the world, the country is off-track against four of the six World Health Assembly nutrition targets for 2025 and it is unlikely that will reach the MDG 1 goal on child hunger. Whilst there has been significant progress in reducing the incidence of stunting and underweight children below 5 years over the last two decades, the scale of the problem remains immense with an estimated six million children chronically undernourished, most of them amongst the poorest households. Women underweight and anaemia, infant low birth-weight, poor infant and young child feeding (IYCF) practices are main drivers of child undernutrition. Undernutrition is estimated to be an “underlying cause” of 60% of childhood deaths. Government leadership on nutrition is weak with fragmented action and poor coordination across key sectors and in no way commensurate with the scale and urgency of the problem. The emphasis on health sector interventions and a weak leadership and capacity in local governments prevents the necessary concerted multi-sectoral action at community level, the only effective scalable approach for a faster reduction in chronic undernutrition.

The proposed Action aims at achieving directly and indirectly a reduction in the incidence of stunting. Through a sustained and strategic engagement in policy dialogue, the EU will enhance multisectoral and multi-stakeholder policies, institutional coordination and catalyse support for upscaling innovative models of local governance for better nutrition. Three components are articulated to improve maternal and child nutrition in Bangladesh at 1) national level, contributing to consolidate and expand the main nutrition-sensitive policy framework (MUCH), 2) regional level, addressing directly stunting in two districts of Sylhet Division, one of the most critical undernutrition areas in the country (SUCHANA), and 3) local/community level, validating sustainable and replicable solutions to deliver nutrition

services and mobilize communities (National Call for Proposals, with a specific lot for Chittagong Hill Tracts CHT). Results will be achieved, within the dense context of stakeholders and initiatives, through a coherent set of methodological approaches and implementation modalities, reinforcing and complementing each other, and through proper programme governance arrangements.

In line with the Multi-Annual Indicative Programme MIP 2014-2020, the overall objective of the Action is to contribute to the reduction of food insecurity and malnutrition in Bangladesh while the specific objective is to improve maternal and child nutrition through i) improved National Food and Nutrition Security Policy framework, including institutional capacities for a multi-sectoral approach; ii) Incidence of stunting reduced amongst children in two districts of Sylhet Division; and iii) innovative and scalable nutrition governance pro-poor models locally implemented and validated within the framework of improved Government's Policies. All CHT-related policy and operational components will be in compliance with the MIP 2014-2020, which envisages a continuing support to the implementation of CHT Peace Accord under the three priority sectors' to reduce regional disparities.

1 CONTEXT

1.1 Sector context

1.1.1 Public Policy Assessment and EU Policy Framework

Article 18 (1) in the Constitution of Bangladesh declares “the State shall regard the raising of the level of nutrition and improvement of public health as among its primary duties”. Four decades after liberation, this duty has yet to be fulfilled. The 6th FYP (2011-2015) prioritized a number of significant actions on nutrition, notably the mainstreaming of nutrition services within the national health sector programme (HPNSDP, 2011-2016). However, this did not sufficiently acknowledge the multisectoral nature of the problem, nor recognise nutrition's wider role in sustaining national productivity growth. Priority actions have recently been agreed in the South Asia Regional Action Framework for Nutrition (SAARC, 2014). In terms of international commitments, in 2012, Bangladesh signed up to six World Health Assembly Targets to reduce undernutrition by 2025. However, as noted in the 2014 Global Nutrition Report, the country is off track to meet at least four of these targets. Other recent commitments to address malnutrition include those made at the Nutrition for Growth Summit (2013) and at the Second International Conference on Nutrition ICN2 (2014). In order to meet all these commitments, Bangladesh intends to give nutrition a top priority in the 7th FYP¹ to be approved by July 2015. Also, in its proposal for the Post 2015 Development Agenda, the Government of Bangladesh GoB highlighted the "demand for urgent attention" to the persistent undernourishment of mothers and children and the unavailability of safe food, setting high the Goal 2 as "Ensuring food security and nutrition for all" with specific targets on improving nutritional levels for children, pregnant women, lactating mothers and new-borns, and on access to diversified and safe food.

Today's food and nutrition security (FNS) context in Bangladesh is becoming more complex with a growing number of policies (e.g. policies on nutrition, food safety, social protection), institutional mechanisms (e.g. the new Food Safety Authority), monitoring frameworks, initiatives e.g. Renewed Efforts Against Child Hunger and undernutrition (REACH) and Scaling up Nutrition (SUN). While it shows the increasing attention to FNS issues by multiple stakeholders in the country, it may irremediably affect coherence and overall effectiveness and efficiency of institutional efforts to combat hunger and malnutrition. Particularly important is to closely coordinate efforts with the Ministry of Health and Family Welfare (MoHFW), supported by UNICEF, and to strengthen GoB multisectoral structures to harmonise indicators and monitoring mechanisms. This way, convergence will be enhanced for nutrition-sensitive and nutrition specific interventions, respectively carried out by the Ministries of Food and Health & Family Welfare.

¹ Nutrition background paper to inform the preparation of the 7th Five Year Plan, Dr AM Zakir Hussain, Pr MQK Talukder, Dr Tahmeed Ahmed, 10/01/2015

The National Food Security Plan (NFSP) 2008-2015 and related Country Investment Plan (CIP) 2011-2015 identify priority investments to increase and diversify food availability, improve access to food and promote a holistic approach to nutrition in a sustainable manner. These plans highlight the need of providing specific support to disadvantaged areas, particularly to those lagging behind like the Chittagong Hill Tracts. Both planning documents will be updated and extended for the 2016-2020 period. The CIP is a coherent set of 12 strategic priority investment programmes (under food availability, access and utilization components) allowing coordination and alignment of GoB and DPs interventions. The CIP budget amounts to USD 12 billion. During the period 2012-2014, the CIP figures show a steady increase in the Government's budget expenditure (reaching 63% of the committed amount in 2014) for the three components, which is commendable, but nutrition still receives relatively little attention and is mostly left for DPs' contribution (up to 78% in 2013 for utilization, while 34% for availability and 35% in access)². The National Nutrition Service (NNS) launched in 2011 by the GoB's Institute of Public Health and Nutrition (IPHN) has tried to reinvigorate efforts to place nutrition higher up on the political agenda and to mainstream nutrition at the local level, but implementation challenges remain. In addition, the National Plan of Action for Nutrition (1997) has recently been commendably revised with greater emphasis on a life cycle approach and integrating nutrition sensitive interventions.

The proposed programme is a direct translation of the 2014 European Commission Action Plan on Nutrition as it will contribute to a) strengthening political commitment and nutrition governance at country level (strategic priority 1), b) scaling up actions at country level in terms of human and institutions' capacity for effective delivery of services relevant to nutrition (strategic priority 2) and c) reinforcing knowledge for nutrition with nutrition information systems, building evidence on effective nutrition actions and providing technical assistance to build capacities (strategic priority 3). Bangladesh has been identified as one of the eight countries in Asia to operationalize the 2013 European Commission Communication 'Enhancing Maternal and Child Nutrition in External Assistance'.

1.1.2 Stakeholder analysis

Nutrition is not a sector as such, or the responsibility of a single line Ministry. It is a complex, fragmented and multi-sectoral area with many underlying determinants, particularly maternal education, access to food and health care, behaviours related to hygiene and sanitation and Infant and Young Child Feeding (IYCF) and the low social status of girls and women. In Bangladesh - historically - nutrition has been seen either as a health issue or as a food issue, whereas in fact it is both. Nutrition is also a social, equity and basic rights issue. Hence it should be everybody's business and responsibility³. All these factors together need to be considered in terms of designing and implementing future coherent interventions.

Key stakeholders from government, international organisations and civil society have been consulted and/or participated in the elaboration of the proposed Action at various levels. At strategic level, stakeholders' consultations were organised by the EU delegation while preparing the MIP 2014-2020 to identify challenges and opportunities for the food and nutrition security programme. The proposed approach is validated by the most relevant nutrition stakeholders in Bangladesh, including local and national Government bodies.

The main stakeholders involved in the proposed intervention are:

- Ministry of Food: the Food Planning and Monitoring Committee (FPMC) is a cabinet-level committee overseeing the development of food and nutrition security policies, with representation from the ministries of Food, Disaster Management, Finance, Agriculture, Local Government Rural Development and Cooperatives, and Commerce. The FPMC's Secretariat is run by the Food Planning

² National Food Policy Plan of Action and Country Investment Plan – Monitoring report 2014 – June 2014 – FPMU, Ministry of Food, Government of Bangladesh

³ Nutrition background paper to inform the preparation of the 7th Five Year Plan, Dr AM Zakir Hussain, Pr MQK Talukder, Dr Tahmeed Ahmed, 10/01/2015

and Monitoring Unit (FPMU) of the Ministry of Food. The Food Policy Working Group is an inter-ministerial coordination mechanism supporting the FPMC, strengthening cooperation between ministries and supervising the work of the Thematic Teams (specialised inter-ministerial bodies focusing on key dimensions of food and nutrition security).

- Ministry of Health and Family Welfare (MoHFW): in charge of National Nutrition Services (NNS) integrated into the 2011-2016 Strategic Plan for Health, Population and Nutrition Sector Development Programme. NNS is one of MoHFW's 32 operational plans and commands around 7% of the Ministry's budget. Community clinics are the first point of contact with the health system providing core services including growth monitoring, nutrition education for mothers and adolescent girls, counselling for parents and pregnant women, improved supplementary foods, micronutrient supplementation, referral to Union, Upazila and District level health complexes and hospitals.

- Ministry of Local Government, Rural Development and Cooperatives (MoLGRDC): the involvement of the MoLGRDC in developmental programmes is central when it comes to service delivery and programme implementation in urban areas. Its mandate covers water and sanitation and it is involved in NNS. The ministry's representatives are part of two of the three Thematic Teams led by the FPMU (Food Access and Food Utilisation).

- Ministry of Women and Children Affairs (MoWCA): it delivers nutrition-related awareness and support to families on horticulture, kitchen gardening, fishery, poultry and animal husbandry (in collaboration with the Ministry of Agriculture and Ministry of Fisheries and Livestock) and implements numerous social protection schemes. It collaborates with the Ministry of Education raising awareness among high school adolescents, on underlying causes of undernutrition, in particular implications of child marriage/early pregnancy.

- Ministry of CHT Affairs (MOCHTA): the Chittagong Hill Tracts region has a decentralised government system that is unique in Bangladesh. It is the only region in the country with its own ministry and its own regional authority, known as the CHT Regional Council. Likewise, according to the 1997 Peace Accord the formation of three elected District Hill Councils DHC was foreseen but has not yet happened. These DHCs are to deliver a wide range of services transferred from the various line ministries, as originally empowered by the Acts of Parliament. The National Food Policy, Plan of Action 2008-2015 tasks explicitly MoCHTA with ensuring effectiveness of all targeted food security programmes in the CHT.

- Apart from the above, the Ministry of Fisheries and Livestock has a role in availability, access and quality for diverse diet, including the management of marine fisheries resources in line with the GoB blue economy initiative; the Bangladesh Bureau of Statistics (BBS) of the Ministry of Planning, centralises collection, analysis and dissemination of nutrition information; the local governments at district, upazila, union and ward levels are, together with civil society organisations, key planning and operational bodies for multi-sector nutrition actions (integrating health, WASH, food security, etc.), including innovative approaches being piloted and scaled up. CSOs at local level are gradually becoming more active into advocacy and behavioural change communication for nutrition, beyond traditional approaches exclusively focused on safety nets and income generation.

1.1.3 Priority areas for support/problem analysis

The outstanding challenges in Bangladesh as summarised in the *Nutrition Background Paper to inform the preparation of the 7th Five Year Plan* (February 2015) are the ineffective multi-sector and multi-stakeholder coordination, weak institutional capacity and human resources, inadequacy in management of resources, and insufficient attention to contextual underlying determinants of nutritional problems in all its dimensions (food, health, water and sanitation, and child care) in a context of regional differences, and social factors (status of girls and women in the family and society, poor maternal education, child marriage and early first birth), in particular to address maternal nutrition.

The proposed Action coherently addresses these challenges through the following priority areas:

- a) Strengthen multi-sectoral food and nutrition security policy framework, capacity for planning, data management, within and between relevant ministries, and reinforce effective multi-stakeholder nutrition coordination and monitoring. A well-defined and operational governance arrangement along sound FNS policies are essential prerequisites for shaping any sector-wide approach or considering a sectoral budget support option in the future.
- b) Support an integrated, replicable multi-sectoral programme to address stunting in two districts of Sylhet that record the highest rates of stunting amongst children in Bangladesh at 49.3%⁴, highest under-five mortality rate at 83 in 1,000, high wasting prevalence of 13%⁵, a high fertility rate of 3.6; and the lowest rate of immunisation in the country⁶.
- c) Support innovative multi-sector nutrition interventions, embedded in the local governance with broad community participation (including authorities, service providers, business associations), to inform national policies and improve access and utilisation of nutrition services by poorest households in various part of the country, with a particular focus on CHT.

Under this Action, building on the last years' policy dialogue engagement, it is part of the EU Delegation work plan to actively contribute and advocate for the preparation of an explicit roadmap towards a sectoral budget support within a consolidated nutrition governance and policy framework. This will be done in a wider donor context, along FAO and other relevant development partners.

2 RISKS AND ASSUMPTIONS

A clear political commitment for multi-sectoral, multi-stakeholder approaches to nutrition at national and local level is expected to be reflected in the 7th Five Year Plan priorities. Together with this main assumption, the table below presents a summary of related risks and associated mitigation measures:

Risks	Risk level (H/M/L)	Mitigating measures
Insufficient collaboration of some Ministries or/and stakeholders in the multi-sectoral coordinated approach to nutrition.	M	<ul style="list-style-type: none"> - Enhanced policy dialogue and coordination with government. - Direct and indirect advocacy, including support to nutrition champions across government.
Local government authorities are constrained by limited resources, unclear responsibilities and insufficient staffing.	M	<ul style="list-style-type: none"> - Improve linkages with local government support programmes. - Development of replicable, accessible approaches and packages.
Social, political and economic instability.	M	<ul style="list-style-type: none"> - Stakeholders closely monitor and articulate responses to the political and economic dynamics.
Government toughens stance towards NGOs.	M	<ul style="list-style-type: none"> - Active and fluid interaction/collaboration with the government at different levels. - Advocacy strategy and resources to respond to changes.
Insufficient specific CHT-related actions and strategies	H	<ul style="list-style-type: none"> - Ensure strong involvement and leadership of the MoCHTA and management or supervision of the Hill District Councils. - Take into consideration the diversity of CHT in terms of geography, culture and traditions.

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

Over the last decades the EU has supported a large number of food security initiatives in Bangladesh mostly focused on production and access -safety nets- traditional projects with little attention to nutrition aspects. In support of GoB objective of food sovereignty, priority was quantity over quality of food. However, after recently achieving self-sufficiency in several staple foods, GoB started to

⁴ Bangladesh Demographic Health Survey (2011)

⁵ NIRPORT (2010) Bangladesh District Level Socio-demographic and Health Care Utilization Indicators

⁶ Bangladesh Demographic Health Survey (2011)

acknowledge the dimension of the new challenge that nutrition represents. In that context, the emphasis under the new MIP 2014-2020 is to improve nutrition in Bangladesh, particularly for mothers and children, and to promote a sustainable food security system resilient to increasing climate change-related challenges. The concept of the proposed Action arose from global, regional and national studies, research and evaluation done by various stakeholders and partners⁷¹ on best ways to address stunting. The proposed intervention is strictly aligned to the EU 2014 Action Plan on Nutrition and foresees supporting a multi-sectoral multi-stakeholder approach.

There is a need to reinforce linkages between policy, investments, governance structures and monitoring and to strengthen collaboration with key sectors in order to translate national priorities into concrete actions. Specificity of certain regions in terms of post conflict situation, geography and administrative set up, as in CHT should be taken into consideration to avoid risks of dysfunctional and ineffective interventions. On this regard, based on past programmes and coordination work, the EU Delegation is having a sustained policy dialogue engagement on nutrition with GoB and all stakeholders, playing a key role in the definition of new national nutrition programmes and policies and advocating for better nutrition through a vast network of partners. Reducing undernutrition will require continuous upgrading of skills for both nutrition-specific and nutrition-sensitive interventions, particularly in the areas of programme implementation, management, multi-sector/multi-stakeholder coordination, monitoring, data analysis and utilisation.

Gender inequality and women and girls disempowerment is a key barrier to improving nutrition practices. There is a need to target pregnant and lactating women and adolescent girls as part of a life cycle approach. Tackling gender inequality and promoting women and girls empowerment is a prerequisite to improve nutrition indicators. Social norms and economic conditions that encourage or promote early marriage and pregnancy and/or prevent girls completing education are key drivers of the intergenerational cycle of undernutrition. A key component of the multi-sectoral intervention will focus on social behaviour change communication (BCC) tools and methods with men and women and other stakeholders in the community to address gender inequality, increasing women's ability to influence decision, accessing key services, and engage in household economic activities and equipping them with knowledge about optimal health and nutrition practices.

Poverty makes it difficult for poor households to access a nutritious diet and implementing practices and behaviours required for good nutrition. Empowering and providing market-smart livelihoods alternatives to the poorest households, promoting sustainable fisheries for diet diversity, as well as strengthening government delivery systems including local coordination capacity are possible actions to address pro-poor service demand for and supply of nutrition related services.

3.2 Complementarity, synergy and donor coordination

At the global level, SUN –funded by EU- and REACH are relevant initiatives and mechanisms that support nutrition governance, scaling up and coordination of nutrition interventions across sectors and stakeholders in Bangladesh. At country level, Government and DPs carry out policy dialogue and coordination under various Local Consultative Group (LCG) sectoral working groups (ie the agriculture, food security and rural development WG, the Nutrition WG and the Poverty WG). In the recent Common Narrative on Undernutrition in Bangladesh, DPs agreed on a shared understanding and analysis of the situation and suggested options to inform the dialogue with the Government.

FAO has traditionally co-chaired the LCG Agriculture and Food Security together with the Ministry of Agriculture. It is also recently that FAO replaced UNICEF in co-chairing the technical Nutrition Working Group in recognition of the FAO role/mandate given by GoB in terms of technical and policy development assistance. The Nutrition Working Group is composed of experts from the National Nutritional Services, Ministry of Food and other relevant national agencies, along DPs and CSOs.

⁷¹ Among others: EU/USAID funded FAO implemented NFPCSP, Food Security Nutritional Surveillance Project (FSNSP) with GoB and BRAC University, the Agriculture and Nutrition Extension Project (ANEP) led by International Development Enterprises (IDE), Save the Children, Helen Keller International, WorldFish (WF), The International Centre for Diarrhoeal Disease Research, Bangladesh (icddr), SUCHANA consortia research, etc.

At EU+ level, EU and Member States -plus Norway and Switzerland- have initiated an EU+ joint programming process and identified a Joint Vision for development challenges and opportunities in Bangladesh, with nutrition as a priority for a common EU+ position and approach. In this framework, the EU Delegation is leading on the nutrition sector and has advocated going beyond the joint programming at strategic level, putting together with DFID a joint programme (SUCHANA, component 2), therefore translating diagnostic/strategic orientations into real joint action with a Member State.

Besides, as part of the EU Delegation and the United States Agency for International Development (USAID) enhanced collaboration in Bangladesh (Memorandum of Understanding agreed in 2013), both agencies have been supporting the food policy development and implementation with Ministry of Food in the past years and agreed on the need to consolidate and expand this multi-sectoral policy involving key ministries, and at the same time actively engaging the private sector and civil society (MUCH, component1).

In a context of chronic vulnerability and risks of disasters and Bangladesh being considered by the EU as a flagship country for resilience, DEVCO and ECHO are working together, within the Joint Humanitarian Development Framework (JHDF), to bring development and humanitarian priorities in a comprehensive and coherent approach to help enhance resilience of the most vulnerable communities to withstand, adapt, and quickly recover from stresses and shocks. FNS has been the traditional entry point for resilience building. In that line, ECHO is at present supporting -until September 2015- a project promoting an integrated household farming approach in CHT with MoCHTA, Hill District Councils and FAO New actions in CHT should be complementary to the proposed FAO interventions in CHT within the UN Programmatic Framework.

The proposed Action is consistent with other EU-funded initiatives, as the Nutritional Surveillance Project, the UNICEF -Maternal and Young Children Nutrition Security Initiative in Asia, and the Food and Livelihoods Support (FLS) and Ujjibito programmes - respectively with the Ministry of Women and Children Affairs and the Local Government Engineering Division LGED – promoting better nutrition-sensitive monitoring and building capacities with key stakeholders. Additionally, there will be potential synergies with the thematic DCI on Global Public Goods and Challenges (Food and nutrition security and sustainable agriculture – FNSSA) emerging from the set-up of a National Information Platform for Nutrition supporting better monitoring for evidence based policies. Moreover, the future AAP 2015 programme on CSO Platforms for Dialogue may also provide opportunities to build or strengthen the capacity of relevant CSOs influencing dialogue and implementation of government policies and practices.

3.3 Cross-cutting issues

Gender – addressing the status of girls and women and gender inequality for improving nutrition⁸. A systematic action to improve the nutrition and care of girls and women has major long-term and far-reaching benefits, eg improvement in women's status and education may account for half of the reduction in child underweight, and income controlled by women has positive effect on child nutrition, household food security. Gender-sensitive and disaggregated analysis is required for cross-sectoral FNS policies, investment frameworks, research, information systems, and monitoring and evaluation.

Environmental sustainability and climate change adaptation efforts need to be mainstreamed in all interventions, particularly in a country like Bangladesh with high levels of environmental degradation and vulnerability to natural disasters - exacerbated by climate change –. In such a challenging context, building resilience must be a priority, adopting a bottom-up approach and supporting national policies and priorities. "Capacity building" at household, community level - empowerment - and at local government level – accountability - are all essential for building a resilient society.

⁸ Bangladesh Gender Country Profile, Sevilla Leowinata and Mamunur Rahma, European Union, February 2014 and Nutrition background paper to inform the preparation of the 7th Five Year Plan (see ref above).

4 DESCRIPTION OF THE ACTION

4.1 Objectives, results and main activities

Overall objective: Contribute to reduce food insecurity and malnutrition in Bangladesh.

Specific objective: to improve maternal and child nutrition.

The main target groups and final beneficiaries of the proposed Action are children, pregnant and lactating women and adolescent girls (aged 15-19) from poor households. Component 1 (MUCH) will target directly key line Ministries (Ministry of Food, Ministry of Agriculture, Ministry of Fisheries and Livestock and Ministry of Women and Children Affairs), relevant civil society and private sector organisations. Component 2 (Suchana) will target 1.4 million people (174,416 extreme poor households and 82,049 moderate poor households) including 190,465 pregnant or lactating women and 67,980 adolescent girls from extreme poor households in Sylhet Division. Component 3 will target the local government coordination and improve service delivery at the community level.

Result 1: *Improved national Food and Nutrition Security Policy framework, including institutional capacities for a multi-sectoral approach (Component 1 – MUCH).*

Main activities include the following:

- Policy assistance and capacity development will be provided for the formulation of a National Food and Nutrition Security Policy (NFNSP) and updating of the Country Investment Plan (CIP, 2016-2020), involving Government, civil society and private sector and with a focus on inter-sector linkages. The programme will also support harmonization between the NFNSP and the SUN framework, including REACH and the South Asia Food and Nutrition Security Initiative (SAFANSI), ensuring consistency between health and food-based nutrition interventions and alignment with relevant sectoral and cross-sectoral policies such as the forthcoming National Nutrition Policy. For policies addressing CHT issues, the CHT Peace Accord provides guiding principles and special attention will be given to national policies mainstreaming climate change adaptation, thus supporting overall resilience efforts in the country.
- Strengthening capacities of the FPMU to mainstream, monitor and evaluate FSN priorities within the 7th Five Year Plan and develop capacities directly in other core FNS ministries, including MoFL, MoA, MoWCA, to mainstream FNS within sectoral policies and programmes.
- Participative policy dialogue coordinated by FPMU as Secretariat of the Food Planning and Monitoring Committee involving support to selected ministries (MoA, MoFL and MoWCA) with a key role in FNS.
- Supporting the policy/planning wings of other core ministries (e.g. MoFL blue economy initiative, MoA, MoWCA) in assessing and strengthening their capacities to address FSN and establishing organisational development plans.
- Facilitating the development of FNS training material to be used by GoB for training of civil servants and developing the capacities of trainers.
- Training staff including at the Ministry of Planning and Ministry of Finance on FNS related Government medium and long-term planning, financial allocation and monitoring processes, strengthening the linkage between the design and monitoring of FNS policy and investment frameworks and medium and long-term plans and financial allocation, articulating Planning Commission and policy-level decision makers from key ministries.
- Establish a set of gender-disaggregated data from relevant ministries and providing capacity development of BBS to include FNS data standards protocols.
- Supporting the FPMU in monitoring the implementation of the CIP, including collating and mapping data by geographical scope.
- Developing capacities of FPMU to support the inclusion of FNS in monitoring report for the 3 core ministries.
- Facilitating multi-stakeholder participation and enhancing ownership with Government, civil society and private sector to identify up to a total of 12 FNS policy research issues to be commissioned, and assist the organisation of thematic multi-stakeholder dialogues to discuss research findings and their policy implications.

Result 2: *Incidence of stunting reduced amongst children in two districts of Sylhet Division* (Component 2 – SUCHANA).

Main activities include the following:

- Contributing to nutrition monitoring and surveillance at national and local level, in coordination with on-going information systems and surveillance mechanisms. Improve the modelling of multi-sectoral coordination at upazila and union level. Empower adolescents and youth to promote nutrition in their communities and participate in local decision-making. Increase capacity of Union Parishad (UP) members, chairman and standing committees to promote and mobilise resources for nutrition-sensitive actions.
- Supporting an effective coordination and technical training to increase coverage and technical capacity of government frontline workers providing health, agriculture, fisheries and livestock services at upazila, union and village levels, resulting in an increased uptake of key services for poor and vulnerable populations, in particular women.
- Implementing a value chain approach to link groups of beneficiaries to markets after identifying potential high value commodities and/or business opportunities suitable for poor and vulnerable households in programme areas. Provide the correspondent investment grants and relevant training for a successful and sustainable implementation of these opportunities. Support for nutritious home-produced food and facilitate access to available social protection schemes for nutritionally vulnerable groups.
- Working at District and Union level with Government to support frontline workers promoting effective social behaviour change, based on a range of proven community and household mobilisation and training methods, including community theatre, work with peer groups, participatory video and radio, and building on local experiences and capacities.
- Establishing an independent M&E system within a rigorous design generating robust evidence to support scale-up. Adoption of a stepped wedge implementation of a nutrition-sensitive programme (training and investment grants and improved SBC) in randomised unions with an active control of nutrition-specific intervention (delivered by the government with some coordination support and complementary training) in all unions. A combination of quantitative and qualitative research will produce evidence on the cost and value of scaling-up similar multi-sectoral interventions.
- Agricultural and livelihoods related interventions will mainstream climate change adaptation needs, thus enhancing their sustainability and overall local resilience.

Result 3: *Innovative, resilient and scalable nutrition governance pro-poor models locally implemented and validated within the framework of the Government's Policies* (Component 3 – CfP).

The Call for Proposals (CfP) will invite CSOs/NGOs and International Organizations intervening locally in close articulation with line ministries, local government and the private sector, to design and implement innovative multi-sectoral approach programmes to reduce under-nutrition of poor households in Bangladesh. The models will have to be scalable, affordable and feasible, at the same time incorporating lessons/experiences and establishing a strong design and M&E system to demonstrate impact and assess delivery efficiency. A specific lot of the CfP will be devoted to the Chittagong Hills Tracts where some of the lowest under-nutrition indicators are recorded, taking stock of the ongoing ECHO work with FAO and moving towards further resilience building.

A maximum of 5 projects will be contracted. The proposals could consider, among others, the following activities:

- Strengthening of the enabling environment and capacity of the local government structures including the Hill District Councils in CHT, to address food and nutrition insecurity, enhancing participative planning and monitoring of nutrition programmes.
- Fostering an effective and wide-ranging local stakeholder's platform promoting a bottom-up approach on nutrition sensitive programming, including identifying and supporting "nutrition champions". Building capacities and knowledge at community level to negotiate on nutrition and "right to food" agendas.

- Recognising and supporting the private sector and civil society organisations in their multiple roles in reducing food and nutrition insecurity, including the adaptation of innovative low-cost solutions, and promote vertical and horizontal coordination and advocacy mechanisms.
- Increasing awareness and promoting behaviour change (diet diversity, care practices, hygiene, etc.) through innovative and replicable approaches.
- Enhancing resilience of the most nutrition vulnerable groups to withstand, adapt and quickly recover from stresses and shocks, including the impact of climate change. The guidelines to applicants will highlight climate change adaptation and resilience building elements, and stress the links between climate change, food insecurity and undernutrition.

4.2 Intervention logic

The proposed Action aims at achieving directly and indirectly a reduction in the incidence of stunting. Through a sustained and strategic engagement in policy dialogue, the EU will enhance multisectoral and multi-stakeholder policies, institutional coordination and catalyse support for upscaling innovative models of local governance for better nutrition. Three components are articulated in a coherent manner to improve maternal and child nutrition in Bangladesh at 1) national level, contributing to consolidate and expand the main nutrition-sensitive policy framework (MUCH), 2) regional level, addressing directly stunting in Sylhet, one of the most critical and complex undernutrition areas (SUCHANA), and 3) local level, validating sustainable and replicable solutions to deliver nutrition services and mobilize and empower communities (National Call for Proposals). In line with the MIP that envisages 'continuing support to the implementation of the CHT Peace Accord under all three priority sectors' with the aim to reduce regional disparity. In Component 1, the policy framework development will consider the CHT institutional specificities and in component 3. a specific lot will be dedicated to CHT in the CfP.

These results should be achieved, within the dense context of stakeholders and initiatives, through a coherent set of methodological approaches and implementation modalities, reinforcing and complementing each other, and through proper programme governance arrangements. It is expected that with the implementation of the programme the EU Delegation will have the possibility to evaluate a higher policy profile and role, notably in terms of EU co-chairing with GoB the LCG Nutrition Task Group once FAO mandate expires in 2016.

Firstly, the comprehensive proposed Action will strengthen the enabling environment for scaling up nutrition through support to nutrition sensitive policy development and implementation, multisectoral ministerial coordination and collaboration. Being the last EU-funded capacity building intervention in the sector, it will be important to ensure focus on sustainability and exit of all capacity building activities after component 1 completion. To guide the process, a roadmap indicating clear milestones for the gradual handover of responsibilities from the component management team/FAO to GoB officials will be developed during the inception phase in close consultations with all stakeholders and tailored to their job functions. That exit strategy will be further articulated into specific recommendations as part of the mid-term evaluation.

Secondly, it will provide, in Sylhet Division, a multi-sectoral intervention package including improved access to essential health and nutrition services, raising poor people's incomes with market-smart and resilient livelihoods approach, and empowering women and girls so they are able to implement optimal nutrition practices at home. It will generate robust evidence through research, stronger design and M&E systems, in order to support further policy reform and provide a responsive national advocacy programme.

Thirdly, the Action will promote innovative local governance models for better nutrition, which are scalable and replicable within the framework of the Government's Food and Nutrition Security Policy. Attention will be given to building local awareness and coordination capacity and engaging with consortia of local and international NGOs.

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 72 months (6 years) from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3 Implementation modalities

5.3.1 Grant: direct award to the Food and Agriculture Organisation of the United Nations (direct management) – Component 1

(a) Objectives of the grant, fields of intervention, priorities of the year and expected results

The Action will contribute to improve National Food and Nutrition Security Policy framework, including consolidation of institutional capacities for a multi-sectoral approach. It will provide necessary matching funds to an on-going intervention co-funded by USAID.

(b) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the Food and Agriculture Organisation of the United Nations (FAO).

The recourse to an award of a grant without a call for proposals is justified because: i) FAO has the required technical competence and high degree of specialisation required for this Action with specific characteristics in the field of food and nutrition policy development and institutional capacity support to the Government of Bangladesh (this Action does not fall within the scope of a call for proposals); and ii) FAO has been given the responsibility by the Government of Bangladesh (and has a *de facto* monopoly) to assist in the development of the national food and nutrition security plan and related policies and provide the necessary institutional capacity support for its implementation.

As the United Nations (UN) specialised agency on food and agriculture, FAO has malnutrition eradication at the core of its mandate. Through very recent related interventions on capacity building and policy development in Bangladesh, FAO has proven its ability to effectively contribute to eradicating food insecurity and malnutrition, has a unique understanding of the FNS policy and institutional context and a network of partners and alliances for supporting the policy processes and has the reputation as the lead agency in the country for developing national capacities to design and monitor FNS policies and investment plans.

As an independent and intergovernmental entity as well as a multi-stakeholder forum for debate and negotiation on all issues related to food, nutrition and agriculture, FAO has a unique ability to interact and work through multi-partner policy processes. FAO also brings an important value-addition to the FNS policy assistance through its ability to capitalize and share the benefits from lessons learnt across different country situations which may serve of reference to Bangladesh.

Therefore, the direct award to FAO fulfils the conditions foreseen under art. 190.1 c) and f) of the Rules of Application (RAP).

(c) Essential selection and award criteria

The essential selection criteria are the financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 60%.

In accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012, if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100%. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative trimester to conclude the grant agreement

First trimester 2016.

5.3.2 Indirect management with the United Kingdom's Department for International Development (DFID) – Component 2

A part of this action may be implemented in indirect management with DFID in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation entails the provision in Sylhet Division of a multi-sectoral intervention package including improved access to essential health and nutrition services, raising poor people's income with market-smart and resilient livelihoods approach, and empowering women and girls in better nutrition practices. The project will generate evidence on how to support policy and governance reforms and provide a responsive national advocacy programme, through research, and M&E systems.

This implementation modality is justified because DFID together with EU are leading development partners in the nutrition policy dialogue. Since 2013 and in line with the EU+ joint programming exercise, EU and DFID have been discussing the SUCHANA programme to agree on a joint action, where DFID will co-finance EUR 27.4 million in 2015.

The entrusted entity would carry out the following budget-implementation tasks, notably: conducting procurement, awarding grant contracts, managing the resulting contracts and carrying out payments to contractors and grant beneficiaries.

5.3.3 Grants: call for proposals for Bangladesh Food and Nutrition Security 2015 (direct management) – component 3

(a) Objective of the grants, fields of intervention, priorities and expected results

Objective of the grants: Innovative, resilient and scalable nutrition governance pro-poor models locally implemented and validated within the framework of the Government's Policies.

Field of intervention, priorities and expected results: The CfP will invite CSOs/NGOs, and International Organizations, intervening locally in close articulation with line ministries, local government and the private sector, to design and implement innovative multi-sectoral approach programmes to reduce under-nutrition of poor households in Bangladesh. The models will have to be scalable - affordable and feasible - and at the same time incorporating lessons from past experiences and establishing a strong M&E system to demonstrate impact. A specific lot of the CfP will be devoted to the Chittagong Hills Tracts geographical and political specificities.

The proposals could consider, among others, the following activities:

- Strengthening of the enabling environment and capacity of the local government structures including the Hill District Councils in CHT, to address food and nutrition insecurity, enhancing participative planning and monitoring of nutrition programmes.
- Fostering an effective and wide-ranging local stakeholder's platform promoting a bottom-up approach on nutrition sensitive programming, including identifying and supporting "nutrition champions". Building capacities and knowledge at community level to negotiate on nutrition and "right to food" agendas.

- Recognising and supporting the private sector and civil society organisations in their multiple roles in reducing food and nutrition insecurity, including the adaptation of innovative low-cost solutions, and promote vertical and horizontal coordination and advocacy mechanisms.
- Increasing awareness and promoting behaviour change (diet diversity, care practices, hygiene, etc.) through innovative and replicable approaches.
- Enhancing resilience of the most nutrition vulnerable groups to withstand, adapt and quickly recover from stresses and shocks, including the impact of climate change. The guidelines to applicants will highlight climate change adaptation and resilience building elements.

(b) Eligibility conditions

Essential eligibility criteria for applicants: be a legal person, be non-profit-making and non-governmental organisation or an International Organisation. The applicant must act with co-applicant(s).

Essential eligibility criteria for co-applicants: be a legal person, be non-profit-making and non-governmental organisation, International Organisation or local authority.

Applicants may propose financial support to third parties. Financial support to third parties may be a main purpose of the action.

Subject to information to be published in the CfP, the indicative amount of the EU contribution per grant is EUR 7.5 to 15 million and the grants may be awarded to sole beneficiaries and to consortia of beneficiaries (coordinator and co-beneficiaries). The indicative duration of the grant (its implementation period) is 36 to 60 months.

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for grants under this call is 85% of the eligible costs of the action.

In accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012, if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100 %. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative timing to launch the call

First semester of 2016.

5.3.4 Procurement (direct management)

Subject in generic terms, if possible	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Technical assistance	SER	1	Q1 2016

5.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.5 Indicative budget

	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
5.3.1. – Component 1 - Grant: direct award to FAO (direct management)	8 000 000	USAID EUR 7 000,000
5.3.2. Component 2 – Indirect management with DFID	35 000 000	DFID EUR 27 400 000
5.3.3. – Component 3- Grant: Call for Proposals (direct management)	40 000 000	Potential grant beneficiaries EUR 7 100 000
5.3.4 - Procurement	200 000	
5.8 – Evaluation and 5.9 - Audit	600 000	N.A.
5.10 – Communication and visibility	200 000	N.A.
Contingencies	1 000 000	N.A.
Totals	85 000 000	EUR 41 500 000

The overall budget for the programme is EUR 85 million from the MIP 2014 -2020. EUR 8,050 million will be committed in 2015. This will be complemented by an additional EUR 76,950 million commitment from 2016 funds subject to the availability of budgetary resources. The additional commitment of EUR 76,950 million will be made as soon as 2016 commitment credits become available.

5.6 Organisational set-up and responsibilities

A Supervisory Management Board (SMB) chaired by EU and comprised of representatives from GoB, DFID, USAID and implementing partners, will be set up to provide the overall strategic guidance for the three components in order to guarantee the full coherence of the programme. The SMB will also cross-check all deliverables to ensure consistency at the different implementation levels – central and local. The SMB should ideally meet every four months, in particular during the first period of implementation. The SMB will be informed about the proceedings of the CfP and the results of the selection of projects to ensure that innovative approaches are adopted and fed into policy making. MUCH Programme Steering Committee and SUCHANA Programme Advisory Committee will provide regular updates to the SMB. The component 3 (CfP) will include in the guidelines for applicants the reference of integrating the coordination mechanism established by the programme as a whole.

Component 1, MUCH, will have a Programme Steering Committee (PSC) to oversee programme coordination and implementation among cross-sectoral implementing line ministries and divisions. The PSC, will meet at least twice a year, and will take all major policy decisions regarding Government-related aspects of the Programme, approve the Annual Work Plans, provide broad

guidelines for administrative procedures and address matters requiring inter-ministerial decisions. Ad hoc meetings will be organised whenever necessary. The PSC will be co-chaired by the Secretary of the Economic Relations Division (ERD) and/or the Secretary of the Ministry of Food and composed from officials from Ministries of Food (FPMU), Agriculture, Women & Children's Affairs, Health & Family Welfare, Fisheries & Livestock, Finance Division, Relief and Disaster Management Division, Local Government and Rural Development & Cooperatives, as well as the BBS, the Implementation Monitoring and Evaluation Division (IMED), Socio Economic and Infrastructure Division and the Programming Division, Agriculture, Water Resources and Rural Institutions Division and the General Economics Division of the Planning Commission. EU, USAID and FAO will be full members of the PSC and will ensure quality and coherence of the policy dialogue. Representatives from private sector, CSO, IFPRI, UNICEF, WFP and the project (Chief Technical Advisor) will have observer status.

While component 2, SUCHANA, will be implemented through indirect management, EU needs to have an active participation and engagement in the programmes' management in line with the policy dialogue process. It will be supervised by a Programme Advisory Committee (PAC) comprising of representatives of EU and DFID as well as all consortium partners, local government authorities, ministerial representatives, and other relevant stakeholders, such as UN, civil society and academics. The PAC will provide strategic guidance to the wider consortium and local government partners and agree on key advocacy issues and policy recommendations to central authorities.

These governance proposals will be revisited at the beginning of the inception phase to ensure appropriate structures are created to (a) facilitate efficient and effective oversight of the programme, (b) create space for closer engagement with government to disseminate findings and influence key officials without duplicating existing or planned structures, and lastly (c) engage a wider groups of stakeholders to share learning and influence practice.

5.7 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8 Evaluation

Having regard to the importance of the action, mid-term and final evaluations will be carried out for this programme as a whole via independent consultants through joint missions contracted by the Commission, following the references proposed by the general coordination mechanism.

The mid-term evaluation will be carried out mainly for learning purposes. The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision). The amount foreseen in the indicative budget is mainly for these purposes. Indicatively, one contract for evaluation services shall be concluded under a framework contract.

Separate independent evaluations for components 1 and 2 (to be closely coordinated respectively with USAID and DFID), and for all contracts emerging from the CfP are foreseen. Most funds shall be included in each respective contract.

The Commission shall inform all implementing partners at least 3 months in advance of the dates foreseen for the evaluation missions. The implementing partners shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partners and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, two contracts for evaluations services shall be concluded; one during implementation and the other one after the implementation period.

5.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, two contracts for audit services shall be concluded (one during the implementation period and the other after the implementation period).

5.10 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.5 above. It is proposed to organise two Knowledge Sharing workshops at the middle and end of the Action with a wide range of stakeholders to exchange lessons and best practices with the final aim of contributing to a better informed national policy. This could be done at the occasion of a global initiative with the participation of other member States and DPs. Indicatively, for the full preparation and organization of these events, the Delegation will conclude one services contract.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Subject in generic terms	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Knowledge sharing workshops	SER	1	Q2 2018

List of acronyms

BBS	Bangladesh Bureau of Statistics
BDHS	Bangladesh Demographic and Health Survey
CfP	Call for Proposals
CHT	Chittagong Hill Tracks
CIP	Country Investment Plan
CMNS	Child and mother nutrition survey
CSOs	Civil Society Organizations
DFID	UK Department for International Development
ECHO	European Commission's Humanitarian Aid and Civil Protection department
ERD	Economic Relations Division
FAO	Food and Agriculture Organisation
FPMU	Food Planning and Monitoring Unit
FNS	Food and Nutrition Security
GoB	Government of Bangladesh
HMSS	Health and Morbidity Status Survey
IFPRI	International Food Policy Research Institute
IMED	Implementation Monitoring and Evaluation Division
IYCF	Infant and Young Child Feeding
LCG	Local Consultative Group
MDG	Millennium Development Goal
MICS	Multiple Indicator Cluster Survey
MIP	Multi-Annual Indicative Programme
NFNSP	National Food and Nutrition Security Policy
NGOs	Non-Governmental Organizations
PAC	Programme Advisory Committee
PSC	Programme Steering Committee
SAFANSI	South Asia Food and Nutrition Security Initiative
SMB	Supervisory Management Board
SUN	Scaling Up Nutrition
UP	Union Parishad
USAID	United States Agency for International Development
UNICEF	United Nations Children's Fund
WFP	World Food Programme

APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY) ⁹

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective: Impact	Contribute to reduce food insecurity and malnutrition	1. Prevalence of stunting of children under five years in Bangladesh**	41% (BDHS, 2011)	(WHO global target reference: reduce 40% by 2025 – baseline 2012) Country fiche	BDHS (Bangladesh Demographic and Health Survey); CMNS (child and mother nutrition survey); HMSS (health and morbidity status survey); MICS (multiple indicator cluster survey)	
		2. Extent to which the country has the capacity to produce and actually implement FNS&SA policies and strategies at national level **	HSPU (qualitative scale: Highly satisfactory; Satisfactory; Partially satisfactory; Unsatisfactory)	Improve at least one step over the baseline	To be established	
Specific objective(s): Outcome(s)	Improve maternal and child nutrition	1. Number of women and children benefiting from nutrition related programmes with EU support **	# (beneficiaries of nutrition sensitive actions to be clearly identified)	Improve at least 20% over the baseline	Internal report	A clear political commitment for multi-sectoral, multi-stakeholder approaches to nutrition at national and local level is reflected in the 7th Five Year Plan priorities
		2. Percentage of indicators of the SUN stage of preparedness index on which Bangladesh scores satisfactory **	%	100% of indicators score satisfactory	SUN Report Bangladesh	
		3. Exclusive breastfeeding (proportion 0-6 month infants fed exclusively with breast milk) **	64% (2011)	83%	BDHS (2011); MICS; UESD UNICEF (2014)	
		4. Individual dietary diversity and food consumption scores for women of reproductive age and children aged 24-59 months	58%	68%	Food Security Nutritional Surveillance Project (FSNSP) MoHFW	

⁹ Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

Outputs	Improved national Food and Nutrition Security Policy framework, including institutional capacities for a multi-sectoral approach (Component 1 – MUCH)	1. Overall quality of the established institutional arrangements for nutrition governance including multi-sectoral platforms both at national and CHT level **	HSPU (qualitative scale: Highly satisfactory; Satisfactory; Partially satisfactory; Unsatisfactory)	Improve at least one step over the baseline	To be established	Active collaboration of key ministries or/and stakeholders in the implementation of a multi-sectoral coordinated approach to nutrition
		2. Overall quality multi-sectoral national strategy that adequately integrates nutrition with associated budgetary commitments from GoB and DPs **	HSPU (qualitative scale: Highly satisfactory; Satisfactory; Partially satisfactory; Unsatisfactory)	Improve at least one step over the baseline	To be established	
	Incidence of stunting reduced amongst children in two districts of Sylhet Division (Component 2 – SUCHANA)	1. Number of households benefiting from multisectoral package of nutrition related activities	# (beneficiaries of nutrition sensitive actions to be clearly identified)	Improve at least 20% over the baseline	Internal report Local Governments	Government ownership and institutional conditions for scaling-up a nutrition multisectoral-package are well established
		2. Prevalence of stunting of children under two years in two districts of Sylhet *	49.3% (Sylhet U5, 2011)	Additional 2% over the stunting reduction trend (control group)	MoHFW	
	Innovative and scalable nutrition governance pro-poor models which also take into consideration the specificity of CHT, implemented and validated within the framework of the Government's Policies (Component 3 – CfP)	1. Percentage of smallholder farmers adopting business models and sustainable and resilient agricultural practices issued from research **	% of smallholder that increased capacity to produce and market quality agricultural products/services	Improve at least 20% over the baseline	To be established	Local government services including the Hill District Councils in CHTs are not over constrained by limited resources, unclear responsibilities and insufficient staffing
		2. Extend to which the country both at national and CHT level has the capacity to produce and actually implement FNA&SA policies and strategies at local level on the ground **	HSPU (qualitative scale: Highly satisfactory; Satisfactory; Partially satisfactory; Unsatisfactory)	Improve at least one step over the baseline	To be established	



This action is funded by the European Union

ANNEX 3

of the Commission Implementing Decision on the Annual Action Programme 2015 part 2 and 2016 part 1 in favour of Bangladesh to be financed from the general budget of the European Union

Action Document for "Skills 21 – Empowering citizens for inclusive and sustainable growth"

1. Title/basic act/ CRIS number	Skills 21 – Empowering citizens for inclusive and sustainable growth CRIS number: DCI-ASIE/2015/038-117 financed under Development Cooperation Instrument			
2. Zone benefiting from the action/location	Bangladesh The action shall be carried out at the following location: countrywide			
3. Programming document	EU Multi Annual Indicative Programme 2014-2020 for Bangladesh			
4. Sector of concentration/ thematic area	Technical and Vocational Education and Training (TVET)			
5. Amounts concerned	Total estimated cost: EUR 20 500 000 Total amount of EU budget contribution: EUR 20 000 000 This action is co-financed in joint co-financing by the International Labour Organisation (ILO) for an amount of EUR 500 000			
6. Aid modality(ies) and implementation modality(ies)	Project Modality: Indirect management with the ILO			
7. DAC code(s)	11330			
8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic	N/A			

SUMMARY

Bangladesh has experienced significant development over recent decades. Several social indicators have shown considerable improvements. For many years, growth has been stable at around six per cent, and both employment and disposable income have grown. The export industry, not least the textiles sector, and remittances from Bangladeshis abroad are two important factors for the economy.

From 2000 to 2010, the share of the population living in poverty fell from 49 to 32 per cent. However, some 50 million people in Bangladesh still live below the poverty line of USD 1.25 per person per day. Bangladesh is one of the world's most densely populated countries, with a vulnerable geographical situation. Many of the two million young people entering the labour market each year lack relevant skills to participate in the labour market.

Inclusive, sustainable growth is an important condition for Bangladesh to make progress in its quest to become a middle-income country. Bangladesh 7th Five Year Plan states that increased growth is dependent on more jobs in manufacturing, which requires both that more jobs be created and that workers, especially women, become more employable by supporting vocational education and training. Skills development is the third binding constraint to economic development in Bangladesh after connectivity (transport) and energy. For Bangladesh to transition to a middle income country in 2021, skilling and upskilling a large number of people will be crucial to enhance labour productivity, and facilitate industrialisation, trade and economic growth.

The earlier TVET Reform Project funded by the EU successfully established new systems for skills development in Bangladesh including reforms in the formal TVET system. As a result the country has a nascent National Skills Development System (NSDS), however still needing strengthening, promotion, adoption/adaption, and replication by stakeholders. The proposed four year *Skills 21* project will strengthen the NSDS by improving the national qualifications frameworks, linking TVET with higher education placing more emphasis on skills development for “green jobs”, and by transforming existing institutions into a Centre of Skills Excellence with an associated National Instructional Materials Development Institute. The centre will provide programmes for implementers including trainers, assessors and managers. Further, it will work with TVET institutions to introduce the entire reform package of new quality assured programmes, newly trained instructors and management and services for career guidance and job placement. These model TVET institutions will have incubation centres for new businesses and strong links to the local business communities. Further, the TVET institutions will act as reform models for nearby institutions that are yet to make this transformation over time in line with recent directives. Lastly the proposed project will lead a process among stakeholders to establish an action plan for development of a sector-wide approach (SWAP) for the skills sector. A close collaboration in particular with ADB and the World Bank will ensure full complementarity of the intervention in this area.

1. CONTEXT

1.1 Sector/Country/Regional context/Thematic area

- The demographic “dividend”

With a population around 156 million and a density over 1021 hab./km² (Bangladesh Bureau of Statistics, 2011), Bangladesh continues to be one of the most densely populated countries in the world. Although the country experienced a major decline in population growth rates

during the recent years (1.2% in 2010-2015), significant population growth in absolute terms will still occur in the coming decades. Annual population increase will likely range from 1.5 to 2.5 million persons per year during the next 10-20 years, depending on whether fertility remains above or below replacement level¹. Significant changes in the age structure will occur: the population aged 0-14 will stabilize while the labour force (defined as ages 15-59) will continue to grow. The period during which the proportion of the population in the labour force ages is increasing, provides a one-time “demographic window of opportunity”, or “demographic dividend” for investing heavily in human resource development. **The “demographic window of opportunity” in Bangladesh² will remain open for the next 10-20 years.**

- Skills development: pivotal to inclusive and sustainable economic growth

Changes in both labour income and demographics were the two largest contributors to poverty reduction over 2000–2010. According to BBS figures (2010), the national labour force stood at about 57 million economically active (of which 30% are women) throughout Bangladesh, which was 60% of the work-age population group (15 years old and over). Only about half of the increase in the working age population has been matched by an increase in full-time employment and the economically inactive population has risen. At the same time, labour force participation rate of women has increased rapidly while that of men has remained relatively static.

The analysis of the projected skills' needs and of the growth sectors show that **there is a need to train around 4 million people per year** in Bangladesh to cover 2 million new labour market entrants each year and another 2 million backlog training in the system per year. Even if a more conservative figure is used, there is a need to train around 22 million by 2021. The **current capacity to train is only around 500,000 per year** with around 25% from public training providers and 75% from private training providers.

Employment abroad and associated remittances have played a major development role in Bangladesh, but they remain primarily based on the export of low skilled manpower. Overseas employment—even of poorly skilled workers—has become a significant source of employment and especially of remittances.³ Recent national development planning efforts focus on the ability to provide more, better trained, skilled and semi-skilled manpower to existing as well as new destinations abroad.

Rapid export growth, albeit from a low base, has contributed significantly to Bangladesh's achievements. Growth in exports of ready-made garments has been a particularly important source of export driven employment. While the sector is employment intensive, value added per worker is low, and there will be risks to competitiveness as real labour costs rise over time, as tariff arrangements change, and as new competitors emerge. **Bangladesh's export dynamism is not confined to ready-made garments** with leather goods, ship building, pharmaceuticals and agro-food sectors are performing well, although all but leather goods are at a rather early stage of export growth. One important challenge will be to ensure the development of these industries in an environmentally sustainable manner, paving the way for the transition to a greener economy. This will notably require the development of skills and capacities for implementing environmental standards and sustainable production techniques,

¹ Geoffrey Hayes and Gavin Jones, *The Impact of the Demographic Transition on Socioeconomic Development in Bangladesh: Future prospects and Implications for Public Policy* - A background paper prepared in support of the Development of the 7th Five Year Plan, 2015, p. 8.

² Idem, p. 35.

³ During the 2013-14 fiscal year, total inward remittances reached to \$14.2bn. “At 8.2 per cent of GDP, remittances have more than offset the trade deficit, counterbalanced the lack of diversification in the export base (which primarily relies on textiles) and are a major contributor to the country's surplus current account position,” said a Moody's report in August 2014.

and for boosting the deployment of clean energies, waste and water management, climate-smart farming practices, etc.

1.1.1 Public Policy Assessment and EU Policy Framework

- Strategic vision of Bangladesh

According to the **Government of Bangladesh (GoB) strategic Vision 2021**, the country will reach the middle-income status provided it secures and sustains an annual rate of GDP growth of to 10% by 2017. For Bangladesh to transition to a middle income country in 2021, skilling and upskilling a large number of people will be crucial to enhance labour productivity, and facilitate industrialisation, trade promotion and economic growth. One of the key priorities of the perspective plan *Vision 2021* is promoting an innovative people for a digital Bangladesh, a direct reference to human resources development (HRD) to raise efficiency and productivity across all sectors (e.g. shipbuilding, leather, pharmaceuticals, IT, ...). *Vision 2021* calls also for Technical and Vocational Education and Training (TVET) and skills development programmes which: (i) are of a higher quality, (ii) are provided by both public and private sectors, (iii) develop competencies required by industry at home and abroad, and (iv) assure that the qualifications received are recognized in Bangladesh and around the world. The plan suggests matching supply and demand for skills through enhanced and upgraded TVET programmes needed to ensure full employment by 2021. Simultaneously, *Vision 2021* provides for making economic development compatible with environmental protection, with references to reducing air pollution, managing waste, protecting forests and water bodies and rationally managing water resources.

In the **7th Five Years Plan** (FY2016-FY2020), *Accelerating Growth: Empowering Every Citizen*, the "vision to achieve middle income status by 2021 remains a core development objective and providing higher income employment opportunities to an expanding labour force is the foremost development challenge. (...) There is ample international evidence that **the best means of attaining sustained progress with equity is to equip the labour force with education and skills.**"⁴

Both policy documents state that increased growth is dependent on more jobs in manufacturing, which requires that more jobs be created and that workers, especially women, become more employable by supporting vocational education and training. **Skills development is the third binding constraint to economic development** in Bangladesh after connectivity (transport) and energy.

To achieve its strategic vision, Bangladesh has developed a strong policy framework in order to create a wider field of technical and vocational education and training (TVET) for developing skills and employability of the new entrants in the labour market. The **National Education Policy (2010)** envisions a society with people having acquired quality education and modern and updated knowledge of science and technology to transform its people into skilled human resources. Skills development is one of the important components of national education policy.

A significant development is the approval of the **National Skills Development Policy (NSDP) in January 2012** by the Prime Minister Cabinet. The NSDP emphasizes the need for (i) establishing a national human resource development fund (NHRDF) to sustainably finance the scaling-up of quality skills development to meet current and future labour market needs; (ii) strengthening coordination between key institutions involved in skills development by building on the initiatives of the NSDC; (iii) establishing a robust quality assurance

⁴ *The Seventh Five Year Plan of Bangladesh (FY2016-FY2020) – Accelerating Growth: Empowering Every Citizen*, Concept note, General Economics Division, GoB of Bangladesh, Draft, August 2014, p. 4-7.

framework through a partnership between the Bangladesh Technical Education Board and Industry Skills Councils; (iv) catalysing the private sector on a large-scale and promoting public-private partnerships to make the skills development programs much more responsive; (v) targeting disadvantaged groups by various mechanisms; and (vi) enhancing sector-wide monitoring by NSDC. A key feature of the policy is to improve coordination and governance of the system through the **National Skills Development Council (NSDC)**.

Both of the **National Education Policy and the National Skills Development Policy** seek to provide school dropouts and those who are barely literate with life skills and professional skills. **The policies seek to rationalise and expand TVET programmes to cover excluded groups, including strengthening the informal training system.**

Bangladesh has also recently agreed to be one of the four pilot countries under the **Human Resource Development (HRD)** pillar of the **G20 Multi-Year Action Plan on Development**.

- EU Policy framework/EU approach on TVET in Bangladesh

The Bangladesh National Skills Development Policy (NSDP) is in line with the **EU vision regarding the financing of TVET** in development cooperation as it is underlined in **EC recent communications**, especially the one on the stronger role of the private sector⁵. The EU policy framework on TVET has also been stressed in the main outcomes and conclusions of the seminar on Financing TVET: *Main issues for an effective policy in development cooperation*⁶. EU recognizes that training and capacity development are priority areas for support as the shortage of qualified workers impedes the creation of added value and limits competitiveness.

The earlier TVET Reform Project funded by the EU in Bangladesh supported the establishment of new systems for skills development including reforms in the formal TVET system. As a result there is a nascent **National Skills Development System (NSDS)** however needing further comprehensive approach, and also promotion, adoption/adaption, and replication by stakeholders. Besides new interventions to improve, consolidate and propagate the national skills system, the new project will lead a process among stakeholders to establish an action plan for development of a SWAP for the skills sector. The mid-term vision is to restructure the sector which allows donors to channel funds to the government budget in a coordinated way to finance the NSDP and achieving by doing the government's Vision 2021. The EU project will also foster closer cooperation between European training institution and Bangladeshi institutions and undertake steps to introduce the dual system in the country.

1.1.2 Stakeholder analysis

In Bangladesh; the main stakeholders engaged in TVET development are:

- Governmental institutions

1. The **National Skills Development Council (NSDC)** is under the leadership of the Prime Minister and represents a high level partnership between government and industry. It has the mandate to oversee the implementation of the National Skills Development Policy (NSDP) adopted in January 2012 by the Prime Minister Cabinet. The members of the NSDC include: i) a broad spectrum of ministries, ii) secretaries of the relevant ministries and iii) representatives of different trade bodies and industries. It functions with a broad terms of reference on skills development and employability.

⁵ COM (2011) 637 final, *Increasing the impact of EU Development Policy: an Agenda for Change*, Brussels, 13.10.2011, pp. 4-8; *A Stronger Role to the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries*, COM (2014) 263 final, Brussels, 13.5.2014, p. 4 & 7; COM (2015) 44 final, *A Global Partnership for Poverty Eradication and Sustainable Development after 2015*, Brussels, 2015, p. 9.

⁶ *Financing TVET: main issues for an effective policy in development cooperation, Main outcomes and conclusions of the seminar*, Brussels, 27 November 2014, 21 pages.

2. The work of the NSDC is being advanced through an **Executive Committee (EC-NSDC)** which facilitates the decision making process and meets more often. A **NSDC Secretariat** was established with the primarily responsibility of working with Government Line Ministries and other stakeholders to support the implementation of the NSDP.

3 **Bangladesh Technical Education Board (BTEB)** operates as an independent body but with close connection to the Ministry of Education and is the **national regulatory body** in charge of accreditation and certification of qualifications, curriculum development and examinations for programmes associated with the Board.

4. The **Directorate of Technical Education (DTE)** is the Government body responsible for the TVET sector. It operates as part of the Ministry of Education and has the responsibility to **organise and implement TVET for the development of human resources** with employable skills. It is the biggest provider of formal TVET in the public sector through its 51 polytechnics and 65 Technical Schools and Colleges (TSCs). However, many other Ministries also run technical training institutions including Agriculture, Jute, Fisheries, Women's Affairs, and so on.

5. **Bureau of Manpower Employment and Training (BMET)** is the body tasked with **skills development for migrant workers** under the Ministry of Expatriate Welfare and Overseas Employment. It manages 37 Technical Training Centres (TTCs) and one Institute of Marine technology. Apprenticeship falls under its remit and it has registered apprentices with several private sector organisations including Centre of Excellence for Leather (COEL), Bangladesh Garment Manufacturing and Exporters Association (BGMEA) and Western Marine Shipyards.

6. **Three Chittagong Hill Tracts Hill District Councils (HDCs)** (in Rangamati, Bandarban and Khagrachari) established as per the Peace Accord 1997 are the institutions competent to prepare, undertake and implement activities in respect to matters transferred under their authorities by the concerned Ministry Department. Transferred subject potentially relevant to this programme is vocational training.

- Private sector

1. A key recent innovation has been establishment of the **Industry Skills Councils (ISCs)** as tripartite sector bodies (employers, workers and trade unions) which provide **connections between industry, providers and government agencies**. ISCs enable industry representatives to participate in the development of competency standards on which new training programmes are based; provide technical staff as part-time instructors in TVET institutions; take on board instructors in back to work refresher programmes and generally strengthen links between industry and the education and training system. They are also key institutions to encourage skills utilisation and promote initiatives to increase the demand for skills, such as influencing business strategies to move up the value chain and up the skills ladder. **ISCs also play an important role in the emerging system for skills anticipation, by providing demand side information to the skills data cell at the NSDC Secretariat.**

2. Besides the creation of the ISC, the private sector has also developed or supported **innovative training centres** (e.g. the Centre of Excellence for Leather (COEL), led initiative by the Apex group or Centre for Rehabilitation of Paralyzed (CRP) equipped by the Vyallatex Group which adopted the NTVQF, the Competency-based training curricula (CBT), but also experienced on-the-job trainings and apprenticeship and established links with the BTEB to have their training certified and assessed officially. These experiences have been supported through the TVET-RP.

- Development Partners (DPs)

Three international organisations are developing projects in the skills development sector.

1. ILO is implementing the *TVET Reform project* financed by **EU** to assist Bangladesh to reform TVET policies and systems so that more people can acquire employable skills and thus generate income through wage-earning jobs or self-employment.

ILO-Bangladesh builds largely on its own technical capacity as skills development and employability is one of the key priorities of ILO under the "Decent Work" agenda for which ILO has received mandate from the international community. ILO was tasked by **the G20 group of countries to develop a Training Strategy** to help countries emerge from the recent global economic. In this context Bangladesh accepted to be one of the four pilot countries under the Human Resource Development (HRD) pillar of the G20 Multi-Year Action Plan on Development. ILO is not only specialised in conceptual work regarding TVET but is also an important service provider with a broad range of training programmes run in its Torino Centre. Furthermore ILO has been chosen by the Canadian cooperation for implementing its ongoing TVET support programme. ILO also assisted German and Swedish cooperation in the formulation of their TVET projects in Bangladesh.

2. ADB (with Swiss cooperation) launched in February 2015 the *Skills for Employment Investment Program (SEIP – 2013-2023)*, a loan paid in three tranches of a total amount of around 350 million USD. The main objective of this programme is to substantially increase the number of trained people and their job placement. It uses public and private training service providers and National Skills Development System (NSDS) when possible. The programme aims also to set up a National Human Resource Development Fund (NHRDF) to scale up skills training and financing and to prepare the transition to a Sector Investment plan and approach.

3. World Bank has an ongoing project titled *Skills Training and Enhancement Project (STEP, 2013-2020, 288 US\$)*. The objective is to develop TVET programmes that meet the needs of businesses. The project aims to increase the number of students and trainees enrolled in education and training programs, including students and trainees from poor backgrounds, and the employability of graduates from these programmes. As the project began prior of the adoption of the NSDP efforts to ensure that the project is aligned with the policy are still needed.

4. EU + : UK (DFID) with its *Skills and Employment Program Bangladesh (SEP-B - 2014-2019, 30 M USD)* project and **Switzerland** (SDC) contributing funds to the ADB *SEIP project* are the only European countries financing large scale projects in the skills sector. Germany (GIZ) supports interventions on skills training and job placements for disabled persons and diploma courses for middle management in the garment sector, as well as skills training for former prisoners and for internal climate-change-migrants. Focal sectors are energy, climate change and good governance. **Sweden** focuses on Private sector development and in collaboration with H&M established a training centre in the garment sector.

5. Other DPs: Canada is currently funding the *Bangladesh Skills for Employment and Productivity (B-SEP – 2013-2017)* project with a grant (18 USD) to ILO. This project builds on the current EU TVET Reform Project (TVET-RP) and focuses in particular on disadvantaged groups in the labour market, such as women, youth and people with disabilities. There are also contributions from South-Korea, United States (USAid) and Australia.

In conclusion, there are only a few DPs (EU, Swiss and Canada) who are really interested in investing into the improvement of the national TVET system and in its sustainability. The major DPs (ADB, World Bank and UK) focus on increasing the number of people trained in or outside of the NSDS and the minor donors (Germany, Sweden) focus on disadvantaged groups.

1.1.3 Priority areas for support/problem analysis

- Gaps

To help sustain and accelerate economic growth rate and transition to middle-income-country status, Bangladesh must respond to several gaps in skills development:

- **Gaps in educational attainment and training in the labour force.** Labour force growth of 2.8% during 1974-2011 was faster than population growth (1.9%) due to a rapidly expanding young population (the demographic dividend) and increased labour force participation. However, the labour force is mostly unskilled, and workers often have little or no education (40%). Only 22.8% workers have completed primary education school, and only 4.0% have vocational education.
- **Lack of funding.** New entrants to the labour force numbered annually 2 million in 2013, and that figure is projected to reach 4 million in 2025. Assuming a cost of USD 300 per trainee, an investment of USD 600 million was needed in 2013 to train the 2 million new entrants. The actual estimated annual investment from public and private sources is about USD 150 million, or enough to train only 500,000. **The investment requirement will rise to annually USD 1.2 billion in 2025 to train 4 million new workers.**
- **Poor capacity of the training institutes/providers.** The quality and effectiveness of current training is hampered by (a) a lack of trained teachers due to low output by teacher training institutions, a lack of in-service training opportunities, and poor incentives; (b) about a 50% vacancy rate for teaching positions in public training institutions; (c) overemphasis on theory in teaching and testing rather than on practical instruction; (d) inadequate financing to maintain facilities, replace old equipment, and consumables and training materials for training; and (e) a need for government rules delegating powers, particularly to public training institutions, to generate earnings, hire trainers and resource persons with industry experience, offer market responsive flexible courses, and enter into partnerships with employers and enterprises to make training relevant and place graduates in jobs.
- **No market responsiveness.** Skills-gap analysis and tracer studies are rare, which leaves training providers without systematic records of job placements and a poor understanding of current and future labour market needs. This problem is compounded by too few public-private partnerships. The results are lost opportunities to make graduates job-ready.
- **No equitable access to training.** Only about 3% of the education budget goes to TVET. In addition, TVET institutions mainly target male students, and the minimum entry level requirement of Grade 8 education excludes the majority of youths and young adults. This means that a huge number of children who have dropped out before reaching that grade cannot pursue vocational education and are denied a chance to make a greater contribution to and reap better benefits from economic development. Geographical inequalities hamper balanced participation across the country. Training institutions are not located in industrial clusters. Training centres in remote locations often have no practical exposure to industries. Women and disadvantaged groups are underrepresented.
- Although Bangladesh is a pilot country for the **G20 Training Strategy**, only nascent steps have been taken to tackle the **challenge of coordination** which is one of the major G20 recommendations and a key focus of the programme of support.

- Opportunities

If Bangladesh main challenges is to fill these gaps in skills development, some opportunities exists:

- Bangladesh can accelerate its current economic growth rate, which now averages more than 6% annually. Potential contributors to faster growth include the ready-made garment sector, leather products, and remittances, all of which are expected to grow rapidly. Providing skilled workers to high-growth industries will lead to higher growth.

- The country's young labour force is expected to expand during the 20 years, and this demographic opportunity needs to be converted into greater productive human resources, increased economic productivity, and higher incomes.
- Bangladesh needs to make good use of the solid framework provided by the National Skills Development Policy to transform skills development by enhancing coordination, increasing funding, engaging the private sector, and reducing demand-supply mismatches through public-private partnerships.

2. RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
Political unrest that may prevent/delay the implementation of the action.	Medium	<ul style="list-style-type: none"> • This external risk cannot be fully contained at project level. However, impact on local level activities will be mitigated through a comprehensive contingency plan.
Government priorities regarding importance of skills changes	Low	<ul style="list-style-type: none"> • Maintain contact with senior Government officials in fora such as Project Steering Committee meetings. • Organise high profile conferences on importance of skills, field visits to model TVET centres, certificate giving ceremonies,
Industry interest in taking up enterprise based training is weak	Medium	<ul style="list-style-type: none"> • Ensure support services to explain and advise on implementation are strong. • Engage industry stalwarts as champions of change. • Promote skills development as both good business as well as a way to demonstrate corporate social responsibility (CSR).
Companies don't take up Competency-Based Training (CBT)	Low	<ul style="list-style-type: none"> • Engage more companies with the development of occupational standards and supply of assessors they obtain first-hand knowledge of what Competency Based Training (CBT) is and how it works. • Share positive experiences in CBT through the Industry Skills councils (ISC), Bangladesh Employers Federation (BEF), Chambers of Commerce and Industry.
NGOs working with the informal sector are not able to provide capacities required	Low	<ul style="list-style-type: none"> • Ensure selection criteria for issue of service contracts, service agreements, etc. will have clear capacity requirements for trainers, facilities, etc.
Delays in training trainers and assessors	Medium	<ul style="list-style-type: none"> • Multiply the number of other training providers offering these instructor and assessor training programmes. • More training providers (private, NGO, Government) can be encouraged to operate such training on a for-profit basis.
Delays in trainers and trainees' certification	Medium	<ul style="list-style-type: none"> • Hire additional contract staff for assessment and certification at the Bangladesh Technical Education Board (BTEB). • Ensure a master plan for such certification is in place early in the project. • Arrange for conditional issue of certificate after training.
Assumptions		
<ol style="list-style-type: none"> 1. Capacity of key agencies such as BTEB is strengthened 2. Key role of the Directorate of Technical Education in the implementation of the project is ensured 		

3. LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

Skills 21 is building on 4 EU funded projects: including TVET-Reform Project⁷. The TVET-RP has propelled the TVET agenda on the Bangladesh scene through the drafting and

⁷ Technical and Vocational Education and Training for Young People in the Informal Economy in Bangladesh, 2. Skills for Unemployed and Underemployed Labour, and 3. Towards sustainable quality healthcare delivery at grassroots level through active participation of civil society organisations.

the adoption of the Skills Policy (NSDP). The three other EU projects contributed to increased employability and income of the poor working in Bangladesh, providing training and job placement to 25,000 people in the informal economy. One project trained and certified over 500 community paramedics and address locally adaptable quality healthcare services.

The main lessons learnt to be retained is in terms of sustainability of the new NSDP:

- **Research and Design** - The allocation of time and resources to research and consultation in the first two years of TVET-RP has been a key contributing factor to the quality of TVET-RP and the strength of the relationships supporting the work.
- **Public Private Partnerships (PPP)** – The sustained effort in facilitating the PPP aspects of TVET-RP was crucial for success.
- **Skills of TVET-RP Team** – Recruitment of high quality personnel for support to the project is important.
- **Tripartite Constituents** - Working with Tripartite Constituents (employers, workers and syndicates) is needed to ensure that the ‘Decent Work for All’ agenda is kept on the table.
- **Inclusiveness** - Inclusion of the disadvantaged, females, and people with disability, is making a difference in changing perceptions.
- **The “demonstration effect”** – A number of pilots undertaken helped to change mind-sets of Government officials and the awareness of public in general.
- **Promotions of TVET in communities** – Graduated trainees are a useful source of promotion; there is also huge untapped potential to explore use of mobile phone technology for promotion such as through social media, alongside the current communication strategies.
- **Mobilization of the private sector** and employers on a large-scale through **the ISCs** facilitated the implementation of the NTVQF in different sectors.
- **Project duration-** Reforms and changing mind-set took much more time than initially planned.

3.2 Complementarity, synergy and donor coordination

- Complementarity

This project seeks to ensure complementarities and synergies with other initiatives undertaken by **DPs, including EU Member States, and training organizations**. As Bangladesh would like to adapt the German "dual system" to the country context, the TVET-RP conducted a study on that approach in 2013. The study presented a proposal to strengthen the dual apprenticeship programme of Bangladesh using the German model as basis which was endorsed by the Secretary of the Ministry of Labour and Employment and more recently by the Directorate of Technical Education (DTE). On the basis of the results of that study, the *Skills 21* is planning to involve the Bangladesh German Chamber of Commerce and the Bundesinstitut für Berufsbildung (BIBB) to explore and facilitate links between German enterprises, schools, universities, training centres and Bangladesh bodies to foster exchange of best practices and transfer of knowledge and know-how. The project will also collaborate with the European Training Foundation (EFT) and the European Centre for the Development of Vocational Training (CEDEFOP), which already conducted applied policy research into skill needs for greener economies for countries like Bangladesh, and related networks in other countries as the European Forum for TVET (EfVET).

Regarding the establishment of an action plan to develop a SWAP, close collaboration with ADB and the World Bank will ensure full complementarity of the intervention in this area.

- Synergy

Synergy and exchange of experiences with **the Swedish cooperation** and **H&M** will also continue as their newly launched "Centre of Excellence for Bangladesh Apparel Industries" (CEBAI) has been built on the experience of the Centre of Excellence for Leather (COEL), a private sector-led initiative supported by the EU TVET-Reform Project.

To address the needs of the secondary school leavers, **British Council** is preparing a project which aims to support the work readiness of the young people through career guidance services established at school level.

Links will continue to be established and experiences shared with the EU financed Better Work and Standards Programme (BEST), DCI-ASIE/2008/19620, which includes a GIZ component on "Promotion of Social and Environmental Standards in the Industry" project (PSES) contributing to design and to implement inclusive skills trainings and to promote disability inclusion in the garment sector⁸. Regarding the expansion of strategic partnerships with European institutions established at regional or national level the delegation will evaluate if and how GIZ can be directly involved in the Skills 21 project implementation.

During the implementation phase, *Skills 21* will explore how to **take into account the developments in non-formal education** offered by the Bureau of Non-formal and Primary Education under the Ministry of Primary and Mass Education. Persons under the non-formal education schemes should be able to earn a Pre-Vocational Certificate and eventually move into the higher levels of TVET. Modular type programmes offered in secondary school programmes and upper primary can introduce generic and technical competencies. Students could leave school with approved units of competencies or even certificates under the NTVQF.

- DPs coordination

The **Skills Development Working Group (SDWG)** ensures government/DPs coordination and dialogue on thematic and technical issues beyond project implementation. The SDWG is co-chaired by the NSDC Secretariat and by ILO.

The **DPs in the Skills Sector** is an informal group chaired by ILO that meets every 2 months with the main purpose to coordinate DPs' on-going activities to avoid duplication, but also to exchange information and to create synergy, coherence and complementarity between the projects.

3.3 Cross-cutting issues

Gender: "Women should have equal access to both formal and non-formal programmes so they can acquire or improve their knowledge and skills for meaningful employment or upgrade existing employment opportunities. (...) Special efforts are necessary to correct this gender imbalance, particularly in the formal training system."⁹ NSDC Secretariat, in collaboration with the TVET-RP, has taken this statement into account to formulate a specific **National Strategy for Promotion of Gender Equality in TVET** and boost up the rate and quality of female participation. This **strategy is based on the Skills Policy (NSDP)** which delineates measures to be taken for improved access of under-represented groups to both formal and informal skills training so that they can develop skills that increase their

⁸ As one response to the Rana Plaza incident in April 2013, PSES, under the Rana Plaza Coordination Cell, started a back-to-work platform and rehabilitated 515 victims of the building collapse.

⁹ National Skills Development Policy – 2011, National Skills Development Council, GoB of Bangladesh, p. 23.

employability.¹⁰ The *National Strategy for Promotion of Gender Equality* is incorporated in the *NSDC Action Plan*.

Disabilities: Among the other actions for under-represented groups, NSDP proposes to increase the access, privileges and participation of persons with disabilities in skills development. A **National Strategy for Inclusion of Persons with Disabilities in Skills Development** has been drafted. This Strategy complements and interacts with the Strategy for Promotion of Gender Equality in TVET and proposed the implementation of one of the steps proposed by the NSDP: to increase the participation of people with disabilities in skills development programmes. This strategy is inspired by successful examples of inclusion of disabled persons in skills development and the world of work and has demonstrated persons with disabilities can work productively and effectively when provided with the opportunities to do so.

Among the under-represented groups, the NSDP targets also **people with low level of education, working adolescents, minorities, migrant workers, less developed areas and rural communities**, each of these groups being the subject of one section of the skills policy. In the post-conflict context of CHT, conflict sensitive approaches will be taken into consideration especially by involving the institutions mandated to manage development and by ensure inclusion of all ethnic groups in the programme.

Environment and climate change: the project will build on efforts to promote green technology such as solar home systems that were piloted earlier within the TVET-RP. The activities will include also training in "green technologies" for sectors such as textiles, leather, ship-building, pharmaceuticals and agro-food relevant for the Bangladesh economy and with a significant environmental impact. Meanwhile, the model training centres to be upscaled within the *Skills 21* project will be applying green technology in their operations, and providing the opportunity in their incubation centres to promote start-up of new "green" businesses.

Good governance and human rights will be another issue and training/activities regarding decent work and worker rights will be undertaken by the project. Already the competency skills log book used in informal apprenticeship contains a **Code of Practice** reflecting workers' and employers' responsibilities and expectations. Meanwhile, training programmes delivered in **Enterprises Based Training (EBT)** have modules on workers' rights, **occupational safety and health (OSH)** and so on.

4. DESCRIPTION OF THE ACTION

4.1 Objectives, results and main activities¹¹

Overall Objective: Contribute to Bangladesh sustained and equitable economic growth.

Specific objective: To increase productivity and better employment opportunities through an inclusive, demand-driven, and interlinked skills development system responding to the needs of the labour market.

This project builds on its predecessor who put in place the qualifications and quality assurance frameworks, introduced competency based programmes and systems like recognition of prior learning thereby creating a demand for more trainers and assessors. It will strengthen the nascent national skills development system (NSDS) that evolved from the national skills development policy and create avenues and structures for preparing a SWAP in

¹⁰ *National Strategy for Promotion of Gender Equality in Technical and Vocational Education and Training (TVET) 2012*, National Skills Development Secretariat - Government of Bangladesh – in collaboration with ILO TVET Reform Project, p. 7.

¹¹ See the log frame matrix in section 7.

the skills sector in future years. In this connection the project aims to support alliances between companies and relevant training providers to develop and implement demand-driven education and training programmes. In doing so, the project will place specific emphasis on paving the way for the transition to a greener, more sustainable economy (skills development for “green jobs”).

The objectives will be achieved by delivering the following results:

Result 1: A national qualification framework as basis for smooth integration of TVET into the education system is established

The new national qualification framework will move beyond TVET and will cover the entire educational system of Bangladesh from basic, secondary and higher education with the NTVQF as the foundation framework. The aim of the expanded framework is to support the development and maintenance of pathways and equivalencies which provide access to qualifications and assist people to move easily and readily between the Education & Training sectors and between these sectors and the labour market. It would also support the Government’s intention to establish a University of Vocational Technology (UNIVOTEC) programmes that would fall within a comprehensive National Qualification Framework. Currently, the Ministry of Education is exploring how different elements of the education system in Bangladesh can be linked and there will be discussions among the different stakeholders to ensure convergence of efforts. There are different models of NQF available and discussing and evaluating the best model for Bangladesh will happen early in the project. The European Qualifications Framework and frameworks in nearby countries will be used for reference. It is anticipated the new NQF will add at least three levels to the highest current level which is Diploma at Level 6. These three higher levels would likely be at Bachelor’s, Master’s, and PhD levels. The NQF will also be the anchor framework for supporting the green economy dimension of TVET and formal education (e.g. definition of qualifications required for implementing environmental standards, applying sustainable production practices in targeted industries, deploying clean energy systems),

The private sector will be involved in all aspects of NQF development and implementation and will be part of the NQF Program Steering Committee as well as technical panels/committees.

The NQF implementing guidelines in the form of a manual will be developed and made available in Bangla and English so that all the approximately 7000 TVET institutions in the country have a hard copy. A soft copy will be available on-line.

The indicative set of activities includes:

- 1.1. Development of the National Qualification Framework with NTVQF as basis
- 1.2. Creation of technical panels / committees for harmonization of basic, technical and higher education sectors
- 1.3. Development and distribution of NQF Implementing Guidelines
- 1.4. Establishment of comparability of competencies and mutual recognition of skills and qualifications with other countries

Result 2: A sustainable capacity development programme for key implementers (e.g. trainers, assessors and managers) is in place

This programme will be developed by transforming existing institutions (such as the Technical Teachers Training College - TTTC and Vocational Teachers Training Institute -

VTTTI) into one Center for Skills Excellence (CSE). The CSE would focus on “innovation and excellence in skills development” including those skills needed to support the transition to a greener economy and offer advisory services to Government Departments, skills projects, NGOs, etc. It would organize research on the skills development practices particularly in Bangladesh, develop innovative training approaches, and explore the use of technology and new media for skills-related applications. Open and distance learning using these technologies is relatively unexplored in Bangladesh.

In addition, the CSE will provide continuous career development for TVET implementers such as trainers, assessors and managers. There is a need to continuously upskill these key implementers on new developments in implementing TVET programs. The ADB’s SEIP project is fully supportive of the CSE initiative and would send its targeted trainers and assessors for training to the CSE when established rather than outside. The CSE will also house an Instructional Materials Development Center (IMDC) which will be developing learning materials including all forms of multimedia. These new resources will be available on-line and in English and/or Bangla.

Initially, the CSE will focus on delivery of the two BTEB approved programmes for CBT trainers and lead trainers – NTVQ Certificates 4 and 5 in Competency Based Training and Assessment, as well as on delivery of the one week programme for assessors. Both the VTTI and TTTC are registered training organizations and are already accredited to run these programmes. They will become assessment centres for these same programmes. Persons from outside the Government’s TVET sector such as NGOs and the private sector can also have their trainers and assessors sent here for training.

There will be partnerships established with various European agencies whereby specialists from Europe can visit the CSE and impart information on the latest training technologies, organize research and development for mutual benefit, and in return host reformers from Bangladesh at their Centres in Europe. Such cooperation will also be extended to workers’ and employers’ groups in Bangladesh so they can benefit from enhanced skills development.

The existing institutions used to create the CSE get already a regular stipend for operations including for staff. Additional staff will be recruited on a contract basis were they are called in on as on-required basis. The CSE will develop a business model for sustainability looking forward to offering contracted services to the Government and the private sector.

The private sector will play an important role in the operations of the CSE and will provide private sector-driven, area-based, labor-intensive and market-driven strategic direction.

The indicative set of activities includes:

- 2.1. Consolidating the resources of existing institutions and upgrading their facilities in view of establishment of a Centre of Skills Excellence (CSE).
- 2.2. Establishment of a system for training assessment and certification of trainers and assessors including use of inclusion strategies for people with disabilities (PWD) and women.
- 2.3. Establishment of the Instructional Materials Development Centre (IMDC) within the CSE including capacity for accessing materials on-line and distance learning programmes operating.
- 2.4. Establishment of mutual recognition agreements (MRA) with EU Member States on comparability of trainers and assessors competencies.
- 2.5. Expansion of strategic partnerships with key international networks in TVET like BIBB (Germany), other European TVET organizations such as EFT, CEDEFOP, EfVET, and related networks in other countries.

- 2.6. Training of BTEB-certified trainers and assessors capable of implementing industry-driven training programs including productivity improvement programs, entrepreneurship training and apprenticeship support.

Result 3: TVET model institutions as support mechanism for the expansion of the National Training and Vocational Qualifications Framework (NTVQF) are developed according to local labour needs

Five to seven existing TVET institutions will be upgraded to become model institutions which hold the Registered Training Organization (RTO) designation. These TVET model institutions are envisioned as a vehicle for delivery of private sector led, area-based, market driven, inclusive and labor intensive training programs. The private sector through bodies such as local Chambers of Commerce and Industry will be involved in policy making, and also direct co-management of the institutions including the provision of expert trainers. At the national level the relevant Industry Skills Council(s) will be engaged if occupational standards for new programmes are developed. The institutional strategy will be identifying available jobs (skills demand) in the area, identifying the most appropriate persons for training, providing this training along with qualifications linked to the NTVQF that fit with the requirements of the jobs. These model institutions would have strong links with the enterprises particularly in the industrial zones of the catchment area and could link with training demands of SME's (e.g. in EU's PRISM project). They would also house or organize nearby incubation centers for small business and provide enterprise training as well as upskilling local entrepreneurs. These model institutions will introduce a tailor made adaptation of the dual system (similar to that in Germany, Austria, and Switzerland) as delivery modes. There will be career guidance/job placement cells in the institutions and they will model best practice for inclusion of women and differently abled persons in TVET. Other innovations will be introduced including arrangements for introducing more private financing into the TVET institutions on a public-private-partnership (PPP) basis and for fostering the creation of skills and capacities for green economy related jobs. The TVET model institutions will be also pilot centers for implementing green standards and curricula for TVET.

Training institution boards with private sector representation will be created for these institutions to provide directions. Such arrangement will help to resolve the issue of matching skills supply and demand. Also local enterprises will be encouraged to engage with these centers in various ways, for example, to host apprentices in their factories; give or loan specialized equipment; provide trainers for short courses; host instructors from the institution for back to work experience; and to contribute raw materials for workshops.

Further, these institutions will also be compliant with the National Skills Quality Assurance System (NSQAS) requirements for an RTO which include among others – certified staff and programmes, approved facilities (classrooms, workshops, tools, teaching equipment), efficient management and operations procedures. Another feature of these institutions is that they will also be recognized as an assessment center by the BTEB so individuals from industry who have experience but no credentials can earn certificates through the recognition of prior learning (RPL) process. All regular programmes for delivery will be under the NTVQF.

For the model institutions a business model will also be established whereby services will be contracted to local businesses. However, in this case also there are already Government payments to these institutions to be upgraded (staff, materials, etc.) as per their regular budget. Fee for service will be established over time to the local business community.

The indicative set of activities includes:

- 3.1. Establishment of model TVET institutions incorporating the Dual System of training modality and incubation centers for entrepreneurs.
- 3.2. Identification and provision of capacity building programmes for partner industry associations which will co-manage the model institutions.
- 3.3. Establishment of institutional management advisory boards within the TVET model institutions capable of providing industry driven policies and advice on dual system operations.
- 3.4. Encourage local enterprises to engage with the training centres.

Result 4: Mechanisms leading to development of SWAP for the skills sector are strengthened

To help ensure consistent, effective and efficient interventions in the skills sector a SWAP for skills development including TVET will be needed in the future. In close collaboration with the other donors and the GoB the proposed *Skills 21* project will build avenues and structures to develop this SWAP for the skills sector by 2018. It will take stock of the positive experiences made since several years with the Bangladesh SWAP in the primary education sector as well as of the development of a comprehensive approach in the skills sector in EU member states (e.g. Germany, Austria, ...). The project will be looking at the available studies and experiences with the assistance from EU TVET association. The private sector will be involved in the work of the SWAP working group.

The indicative set of activities includes:

- 4.1. Establishment of SWAP coordination committee including key development partners and Government.
- 4.2. Preparation and implementation of action plan for SWAP development.
- 4.3. Capacity building of partners for introduction of SWAP.
- 4.4. Strengthening sector policy dialogue and creation of alliances for change.

4.2 Intervention logic

Taking into account the leading experience of EU in the TVET sector in Bangladesh since 2007 and its high visibility, it is important for the EU to build on the momentum and to continue to be one of the key actors in that sector. The continuous involvement of the EU in skills development will respond to the request of the National Skills Development Council (NSDC), chaired by the Prime Minister, and the expectations expressed by the private sector (e.g. Round table on TVET in November 2014).

To respond to Bangladesh main challenge, many donors are investing massively in the skills sector, each of them addressing some of the issues underlined in the NSDP (division of labour). While ADB and World Bank will contribute to strengthening the Industry Skills Councils (ISC) in different sectors and training of trainees, the EU proposed to further support the strengthening, operationalisation and consolidation of a functional **National Skills Development System (NSDS)**.

The programme will pave the way for a Sector-wide approach putting in place necessary governance structures and reinforcing the capacity of institutions and existing frameworks with an emphasis on quality.

The participation of the private sector will be key for the successful implementation of the programme.

The private sector will be engaged in all result areas. Private sector delegates will be part of technical panels for harmonization of different levels of education under the NQF. The Centre

for Skills Excellence will be training assessors and trainers from industry as well as Government training providers. Further new online courses on technology and training will be open to the private sector and indeed will be developed in partnership with them. The seven model institutions in result area 3, will have a Management Board including private sector members, and new courses will be developed based on the needs of local employers. In the context of SWAP development, the private sector will be a partner so that their engagement in and support for skills development are recognized. The EU funding will allow the close engagement with private sector and civil society organisations active in the formal and in particular in the informal sector.

Linkages with European training institutions will reinforce the **value added** of the EU intervention. The project will collaborate with institutions experienced in the German dual-system that is of interest to Bangladesh. It is planned to involve the Bangladesh German Chamber of Commerce and the Bundesinstitut für Berufsbildung (BIBB) to explore and facilitate links between German enterprises, schools, universities, training centres and Bangladesh bodies to foster exchange of best practices and transfer of knowledge and know-how. The project will also collaborate with the European Training Foundation (EFT) and the European Centre for the Development of Vocational Training (Cedefop), which already conducted applied policy research into skill needs for greener economies for countries like Bangladesh, and related networks in other countries as European Forum for TVET (EfTVET). In line with the MIP that envisages 'continuing support to the implementation of the CHT Peace Accord under all three priority sectors' with the aim of reducing regional disparity, the action will mainstream CHT particularities into each result where relevant.

5. IMPLEMENTATION

5.1. Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

5.2. Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 48 months (4 years) from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3. Implementation modalities

5.3.1. Indirect management with an international organisation

This action may be implemented in indirect management with the International Labour Organisation of the United Nations (ILO) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012.

This implementation entails the strengthening of the nascent national skills development system (NSDS) by improving the national qualifications frameworks, linking TVET with higher education, and by transforming existing institutions into a Centre of Skills Excellence with an associated National Instructional Materials Development Institute. Further, it will work with TVET institutions to introduce the entire reform package of new quality assured programmes, newly trained instructors and management and services for career guidance and

job placement. These model TVET institutions will have incubation centres for new businesses and strong links to the local business communities. Lastly the proposed project will lead a process among stakeholders to establish an action plan for development of a SWAP for the skills sector.

This implementation is justified because ILO in Bangladesh has gathered specific know-how in skills development and extensive experience in developing the NSDS of Bangladesh. As demonstrated during the previous programme ILO possesses capacity to implement this kind of project with a core set of professionals, both nationals and internationals. ILO is chairing the DPs' Skills sector working group as well the sub-Committee of the LCG Education on skills development. ILO's experience in the design and implementation of the skills system and its research work on NQF makes it the preferred partner for *Skills 21*. EU and ILO have managed to build a long-term institutional relation with the Ministry of Education and NSDC that made possible the adoption of National Skills Development Policy (NSDP – adopted in January 2012). This policy provided opportunity to extend the NSDS to other key Ministries, but also to the private sector and civil society

The entrusted entity would carry out the following budget-implementation tasks, notably: conducting procurement, awarding grant contracts, managing the resulting contracts and carrying out payments to contractors and grant beneficiaries.

The majority of the training activities (in particular for result 3) will be implemented by ILO through budget implementation tasks. For a certain number of actions, the choices regarding the type of intervention and the selection of service providers will depend on the results of assessment studies to be conducted during implementation.

The entrusted international organisation is currently undergoing the ex-ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. The Commission's authorising officer deems that, based on the compliance with the ex-ante assessment based on Regulation (EU, Euratom) No 1605/2002 and long-lasting problem-free cooperation, the entity can be entrusted with budget-implementation tasks under indirect management.

5.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Budget Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.]

5.5. Indicative budget

	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
5.3.1 – Indirect management with ILO	19 500 000	ILO, EUR 500 000
5.8 – Evaluation, 5.9 - Audit	150 000	
5.10 – Communication and visibility	350 000	

TOTAL	20 000 000	EUR 500 000
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The government of Bangladesh may contribute in kind (e.g. provision of teachers, office space etc.) for an indicative amount of BDT 87,000,000 (to be confirmed).

The private sector may also make contributions in kind (e.g. provision of teachers, office space, materials, tools) which is difficult to express in quantitative terms.

5.6. Organisational set-up and responsibilities

The Ministry of Education (MoE) will be the main beneficiary of the action. The MoE ensures wide outreach to ministries and bodies for the implementation and delivery of all the capacity building and institutional strengthening activities.

The MoE with the EU Delegation co-chairs the Project Steering Committee (PSC). The PSC will be the oversight body for the project. It will provide overall strategic guidance, assess all aspects of project progress against targeted results, including examination of lessons learned and service delivery, review and endorse annual work plans (including the budget) as well as ensure coordination with other national initiatives and development projects. Meetings of the steering committee will be convened twice a year. The PSC will convene representatives of key Ministries and bodies concerned by the Action as well as representatives of the private sector and of project beneficiaries.

A Project Monitoring and Coordination Committee (PMCC), chaired by the National Project Director (NPD) seconded by the MoE, will be established in the Directorate for Technical Education to supervise the overall project implementation and the day to day management of the project. The management of the project will be the responsibility of the NPD to be drawn from amongst the senior officers with policy decision making authority.

Specific arrangement will be defined for the preparation of a SWAP with the appropriate government institutions, in particular with the National Skills Development Council (NSDC) which has the mandate to oversee the implementation of the National Skills Development Policy (NSDP).

These governance proposals will be detailed at the beginning of the inception phase to ensure appropriate structures are created to (a) facilitate efficient and effective oversight of the programme, (b) create space for closer engagement with government to disseminate findings and influence key officials without duplicating existing or planned structures, and lastly (c) engage a wider groups of stakeholders to share learning and influence practice, in particular within existing coordination bodies (e.g. LCG Education).

5.7. Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log frame matrix and the list of result indicators. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8. Evaluation

A final evaluation will be carried out for this action via independent consultants contracted by the Commission. It will be carried out for accountability and learning purposes at various levels (including policy revision) and it will put a specific emphasis on the knowledge sharing and on participatory evaluation.

The Commission shall inform the implementing partner at least two months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The final evaluation report shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, one contract for evaluation services shall be concluded under a framework contract at the end of the project.

5.9. Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements. Indicatively, one contract for audit services shall be concluded at the end of the project.

5.10. Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of the project implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The project has allocated EUR 350 000 for communication and visibility activities to be carried out in direct management through service contracts.

Subject in generic terms, if possible	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Communication and visibility	SER	1	Q1 2017

Acronyms/abbreviation	Meaning
ADB	Asian Development Bank
AF	Action Fiche
BBS	Bangladesh Bureau of Statistics
BEF	Bangladesh Entrepreneurs Federation
BGMEA	Bangladesh Garment Manufacturing and Exporters Association
BIBB	Bundesinstitut für Berufsbildung
BMET	Bureau of Manpower Employment and Training
BRAC	Bangladesh Rural Advancement Committee
B-SEP	Bangladesh Skill for Employment and Productivity Project
BTEB	Bangladesh Technical Board
CBT	Competency-Based Training
CBT&A	Competency Based Training & Assessment
CEDEFOP	Centre for the Development of Vocational Training
COE	Centre of Excellence
COEL	Centre of Excellence for leather
CSE	Center of Skills Excellence
CIAST	Centre for Instructor and Advance Skills Training
CSR	Corporate Social Responsibility
DFATD	Department of Foreign Affairs, Trade and Development
DFID	Department for International Development
DP	Donor Partners
DTE	Directorate of Technical Education
EBT	Enterprise Based Training
EC-NSDC	Executive Committee – National Skills Development Council
EfVET	European Forum for TVET
E-LCG	Education Local Consultative Group
EFT	European Training Foundation
EU	European Union
FA	Financing Agreement
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GNI	Gross National Income
GoB	Government of Bangladesh
HRD	Human Resource Development
IF	Identification Fiche
IIP	Institutional Investment Plan
ISC	Industry Skills Council
I/NGO	International/Non-Government Organisation
ILO	International Labour Organisation
IMDC	Instructional Materials Development Center
KOICA	Korea International Cooperation Agency
Log frame	Logical Framework
MoLE	Ministry of Labour and Employment
MoE	Ministry of Education
MoF	Ministry of Finance
MRA	Mutual Recognition Agreement
NGO	Non-Government Organisation

Acronyms/abbreviation	Meaning
NPD	National Project Director
NQF	National Quality Framework
NSDC	National Skills Development Council
NSDP	National Skills Development Policy
NSDS	National Skills Development System
NSQAS	National Skills Quality Assurance System
NTVQF	National Training and Vocational Qualifications Framework
OECD	Organisation for Economic Co-operation and Development
OO	Overall Objective
OP	Occupational Profile
OSH	Occupational Safety and Health
PMCC	Project Monitoring and Coordination Meeting
PPP	Public Private Partnerships
PRISM	Poverty Reduction through Inclusive and Sustainable Markets
PSC	Project Steering Committee
PWS	People with Disabilities
QSG	Qualitative Support Group
RMG	Ready Made Garments
RPL	Recognition of Prior Learning
RTO	Registered Training Organisation
SDC	Swiss Agency for Development and Cooperation
SDP	Skills Development Project
7 th 5YP	7 th Five Year Plan
SEIP	Skills for Employment Investment Project
SIDA	Swedish International Development Cooperation Agency
SDWG	Skills Development Working Group
SME	Small and Medium Enterprise
SWAP	Sector-Wide Approach
TAPS	Technical and Administrative Provisions
TTC	Technical Training Centre
TTTC	Technical Teacher Training College
TPP	Technical Pro-format
ToT	Training of Trainers
TSC	Technical School and College
TVET	Technical and Vocational Education and Training
TVET-RP	Technical and Vocational Education and Training Reform Project
UCEP	Underprivileged Children's Educational Programmes
UN	United Nations
UNESCO	United Nations Education, Science and Culture Organisation
UNICEF	United Nations Children Fund
UNDP	United Nations Development Programme
UNIVOTEC	University of Vocational Technology
USAID	United States Agency for International Development
VET	Vocational Education and Training
VTTI	Vocational Teachers Training Institute
WB	World Bank

Skills 21 Project – Indicative Logical Framework

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective: Impact	Contribute to Bangladesh sustained and equitable economic growth	<ul style="list-style-type: none"> Skills development and related employment impact on target population comprising: <ul style="list-style-type: none"> Increased Gross National Income per Capita (GNI per capita) Increased labour productivity 			<ul style="list-style-type: none"> Final project impact assessment Customized surveys of businesses surrounding model institutions Participating partner organizations Bangladesh Bureau of Statistics reports 	
		- Increased Gross National Income per Capita (GNI per capita)	Bangladesh is lower middle income country \$2,037 (2014)	Vision 2021 (GOB goal) \$4,965 (2021) ¹²		
		- Increased labour productivity	2009-2010 Estimate Tk 140,000 per employed person per year ¹³	Assuming 3.5% growth rate per annum Tk 191,000 (2018)		
Specific objective: Outcome	To increase productivity and better employment opportunities through an inclusive, demand-driven, and	<ul style="list-style-type: none"> Enrolment increase in the reformed skills development system 	None trained in the 7 institutions under new system (2015)	17,500 ¹⁴ (2018)	<ul style="list-style-type: none"> Final project impact assessment Customized surveys in relevant institutions Tracer studies 	Political stability and support for skills development remains

¹² \$4965 dollars is average of higher middle income (\$7893) and lower middle income (\$2037). GNI/capita (Atlas method). World Bank statistics – Lower middle income and upper middle income countries, 2014.

¹³ Gross value of 2009/10 has been divided by number of employed persons of 2010 to arrive at labour productivity of 2009/10. Assuming 3.5% compound growth rate labour productivity for each of the subsequent years have been projected. Source of data: Bangladesh Bureau of Statistics - Statistical Yearbook 2012.

¹⁴ These figures include trainees in the NTVQF programmes (approximately 10,500) plus about 1500 beneficiaries from short programmes for local business including programmes on business development, and about 1500 who are certified under RPL.

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
	interlinked skills development system responding to the needs of the labour market.	<ul style="list-style-type: none"> • Employment and productivity gains through skill development <ul style="list-style-type: none"> ○ Increase (absolute and proportional) in employment of skilled personnel (of which employment in “green jobs”) ○ Perception of employers of trainees under project on links between skills development and productivity gains 	<p>To be determined¹⁵</p> <p>To be determined¹⁶</p>	<p>75% of programme completers gain employment or self-employment within 6 to 9 months by the end of 2018</p> <p>70% of employers who hired programme completers from the seven model institutions have the view that skills training has translated into productivity gains</p>		Enterprises are convinced of value of PPP with Government training institutions

¹⁵ The seven training institutions to become model institutions have not yet been selected so no figures on employment are available. Baseline survey to be conducted once selection is made.

¹⁶ Baseline survey among employers to be conducted.

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Direct Outputs	1. A National A national qualification framework as basis for smooth integration of TVET into the education system is established	<ul style="list-style-type: none"> A National Qualification Framework is in place incorporating the NTVQF and the National General Education System / Structure of Bangladesh The NQF includes specifications for a number of priority “green job”-related qualifications 	No unified national qualification framework	<p>The National Qualification Framework developed and ready for implementation¹⁷ by the end of 2018</p> <p>Specifications available for [number] priority “green job”-related qualifications</p>	<ul style="list-style-type: none"> Copy of NQF documents available Evidence of Government’s full awareness of the benefits and advantages of implementing a NQF in the country 	Government is open / willing to consider adopting an integrated / holistic / seamless NQF to align with the best practices worldwide
		<ul style="list-style-type: none"> Number of meetings, seminars, workshops to consult / explain the NQF 	None	64 meetings by the end of 2018	<ul style="list-style-type: none"> Meeting records 	
		<ul style="list-style-type: none"> NQF Implementing Guidelines (manual) developed, translated 	None	One English master copy; one Bangla master copy by the end of 2018	<ul style="list-style-type: none"> Copy of originals available 	
		<ul style="list-style-type: none"> NQF Implementing Guidelines (Manual) are available in relevant institution 	None	At least 7000 training institutions have received a copy by the end of 2018	<ul style="list-style-type: none"> Receipt (Printing) and distribution records 	
		<ul style="list-style-type: none"> Number of countries with mutual recognition of skills and qualifications agreement with Bangladesh 	None	At least three MRAs signed by the end 2018	<ul style="list-style-type: none"> Signed agreements 	

¹⁷ The NQF developed and ready for implementation based on a quality assured national system for the development, recognition and award of qualifications based on standards of knowledge, skills and values acquired in different ways and methods by learners and workers

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
	2. A sustainable capacity development programme for key implementers (e.g. trainers, assessors and managers) is in place	<ul style="list-style-type: none"> Center of Skills Excellence (CSE) in place including: <ul style="list-style-type: none"> Organizational structure, work plan and training schedules Upgraded facilities and equipment Operating guidelines and promotional materials Adequate staff in place 	No CSE existing	One CSE operational by end of 2018	<ul style="list-style-type: none"> Project impact assessments Records of CSE, e.g. management meeting minutes; Governance manual; relevant legal documents BTEB Officials records of persons trained disaggregated by type of training and by gender 	<p>Government agencies and departments and enterprises recognise value of trained trainers and assessors for their organization</p> <p>European agencies relating to skills and TVET are able / interested to form linkages</p>
		<ul style="list-style-type: none"> Instructional Materials Development Centre (IMDC) for TVET established including capacity for accessing materials on-line and distance learning programmes operating. 	None	One IMDC operational by end of 2018		
		<ul style="list-style-type: none"> Number of countries in Europe which signed mutual recognition agreements (MRA) on comparability of trainers and assessors competencies. 	None	At least three MRAs signed by the end of 2018		
		<ul style="list-style-type: none"> Number of strategic partnerships (e.g. research, capacity building) on TVET established in Europe and in other countries 	None	At least three partnerships established by the end of 2018		
		<ul style="list-style-type: none"> Number of CBT trainers and assessors trained, assessed and certified at CSE 	None	1500 trainers and assessors trained and certified by the end of 2018		

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
	3. TVET model institutions as support mechanism for the expansion of the National Training and Vocational Qualifications Framework (NTVQF) are developed according to local labour needs	<ul style="list-style-type: none"> Targeted TVET institutions upgraded to model centres with RTO status 	Zero model institutions	Seven model institutions operational by the end of 2018	<ul style="list-style-type: none"> Physical inspection of identified institutions BTEB MIS records MoUs with key industry players to co-manage these institutions Record management information system of the institutions Satisfaction surveys 	<p>Government and local stakeholders recognize value of PPP arrangements in the skills arena</p> <p>Local enterprises have sufficient capacity to host apprentices and/or establish in-company training</p>
		<ul style="list-style-type: none"> Number of institution trainees which complete dual-mode programme 		10,500 trainees trained and certified with 75 % gaining employment by the end of 2018		
		<ul style="list-style-type: none"> Number of persons receiving new short course training including entrepreneurship and green job-related skills 	Zero	3500 persons trained by the end of 2018		
		<ul style="list-style-type: none"> Number of persons at institutions receiving qualifications through RPL 	Zero	3500 workers qualified under RPL by the end of 2018		
		<ul style="list-style-type: none"> Number of enterprises engaged with each model TVET institution 	None	At least 20 enterprises per institution engaged by the end of 2018		
		<ul style="list-style-type: none"> Number of capacity building programs for partner enterprises collaborating with the model institutions 	No capacity development programs	At least semi-annual development programmes conducted by the end of 2018		
		<ul style="list-style-type: none"> Percentage in Value of contribution from enterprises to institutions including programming, e.g. in-kind support, equipment, provision of trainers 	zero	10 percent of total operational cost of the institution is costed as enterprise contribution		

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
	4. Mechanism leading to development of SWAP for the skills sector are strengthened	<ul style="list-style-type: none"> SWAP working group established that includes key development partners and Government. 	No working group exists	One working group set up by the end of 2016	<ul style="list-style-type: none"> Minutes of Meetings Plan endorsed by the development partners Participant list and report on capacity building programme 	
		<ul style="list-style-type: none"> Action plan for SWAP development prepared. 	No action plan for SWAP has been prepared	One action plan for SWAP will be ready by 2017		
		<ul style="list-style-type: none"> Capacity building programmes for partners for introduction of SWAP delivered 	No capacity building for partners organized for introduction of SWAP	One representative from each partner organization trained in introduction of SWAP by the end of 2017		
		<ul style="list-style-type: none"> Number of partners contributing to the implementation of the action plan 	No action plan exists	Five major partners contribute to the preparation of the action plan by the end of 2017		

