



MAY 2008 • EMBASSY OF SWEDEN, DHAKA

Sida Country Report

Bangladesh



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Published by Sida 2008

Asia Department

Author: Embassy of Sweden, Dhaka

Printed by Edita Communication, 2008

Art. no.: SIDA45319en

This publication can be downloaded/ordered from www.sida.se/publications

1. Summary

The elections planned for January 2007 never came to be held. With street violence and political agitation spinning out of control, and following the declaration by Awami League that they would boycott and oppose elections, the armed forces intervened and on January 11 the President declared a state of emergency. Constitutional rights were suspended, elections were postponed and a technocratic Caretaker Government was instated.

After taking office Government, with public support and encouragement from civil society and the donor community, initiated a string of reforms with public institutions, the judiciary and the election process specifically targeted. The pace of implementation varied, but progress was made in several areas, e.g. in establishing and strengthening public institutions. Parallel to this a massive anti-corruption campaign was launched that targeted allegedly corrupt individuals in the business community, in administration and in the political parties. Among those arrested were former Prime Ministers Khaleda Zia and Sheikh Hasina.

The Human Rights situation remains a serious concern. While reports indicate fewer extra-judicial killings in 2007 as compared to the year before the cases are still many and the perpetrators continue to enjoy impunity. The use of torture in interrogations showed no signs of abating and resulted in several deaths.

The strong public support which Government enjoyed after taking power remained in place throughout 2007. This despite the pressures and hardships brought on by high inflation. The price hikes of essentials hit the poor hard, especially since Bangladesh in 2007 also had to cope with two major floods and a devastating cyclone, the latter killing thousands and with economic losses estimated at 1.6 billion USD.

With respect to the Swedish development cooperation the Swedish Government chose to extend the existing country cooperation strategy rather than take a decision on a new strategy for 2007–2011. This since the results of the comprehensive review of all Swedish partner countries would have to be taken into account before deciding on the future strategic direction. Bangladesh was, in the end, identified as a long-term development partner country.

The 2007 country plan was largely implemented. The Embassy identified ways and took practical steps to promote the perspectives and principles highlighted in the new strategy proposal. The Embassy's participation in working groups and the focus of dialogue were adjusted,

a review of the Swedish support to civil society organisations from a rights based perspective was commissioned and a longitudinal study that, over a number of years, will monitor poor people's perception of primary health care and primary education services was launched. In fall, work to sharpen the results-orientation of the Swedish development cooperation was undertaken with assistance from Sida headquarters.

The findings of the Mid Term Review of the sector programme for primary education concluded that progress overall was satisfactory and took special note of the government's strong ownership. The annual review of the sector programme in health, however, revealed serious problems. The remedial actions taken by Government began to show results towards the latter part of the year.

The final disbursement figure for the year was 200 MSEK, a figure that can be compared with the initial country allocation of 210 MSEK. Slower than expected implementation in the two large sector programmes and the effects of two consecutive flood and a devastating cyclone contributed to disbursements being lower than originally forecasted.

2. Political, Economic and Poverty Development

Domestic politics. With street agitation and political violence spinning out of control prior to the elections planned for late January, and following the announcement by the Awami League-coalition that they would boycott elections, the armed forces intervened and the President declared a state of emergency on 11 January 2007. Basic constitutional rights were suspended, elections were postponed and Mr Fakhruddin, former head of Central Bank, was appointed Chief Advisor of a new technocratic interim Caretaker Government.

The state of emergency and the ban on outdoor political activities, e.g. demonstrations and larger gatherings, remained in place in 2007. According to the election road map municipal elections will take place in spring 2008 with general elections following before the end of the year. By this time electoral reforms and the preparation of voter lists are expected to be completed. The Election Commission strongly committed itself to this schedule but the risk that the timeline will prove to stretch beyond December 2008 cannot be ruled out. The Election Commission's dialogue with the political parties on internal party democracy and the format for a return to democracy was an area where only limited progress was made in 2007.

Correction of the country's flawed voter lists, viewed by all as a prerequisite for free and fair elections, is a top priority for Government. A project to register the entire electorate, an enormous undertaking in Bangladesh, was launched in 2007 with support from many development partners, including Sweden. The project came off to a good start in 2007.

The state of emergency has limited the freedom of media and led to self-censorship. While careful not to cross certain boundaries media remained active and played an important role in the political debate and in the scrutiny of public authorities.

Multilateralism remained a key priority in foreign policy. Bangladesh continued to make large contributions to peace-keeping operations and was elected chair of the group of least-developed countries (LDC:s). The active foreign policy under the present Government led to better relations with India. Efforts were also made to improve dialogue and cooperation with other countries in the region, e.g. China and Burma.

Reforms to promote good governance. After taking office Government has pushed for reforms in public institutions, in the judiciary and in the election process. The Election Commission and the Anti-Corruption Commission have been reformed and strengthened, a National Human

Rights Commission has been established and implementation has begun of the decision to create an independent judiciary, separated from the executive. A decision to introduce a law on the public's right to information has been taken. During the year Bangladesh also signed the Convention on the rights of persons with disabilities and acceded to the UN Convention against corruption. A far-reaching anti-corruption campaign led to arrests of several hundred prominent businessmen and politicians, among them the former Prime Ministers Khaleda Zia and Sheikh Hasina. With the military a notable exception, virtually all areas of society have been put under scrutiny.

Human rights. Despite an extensive legal framework the respect for Human Rights is often violated. The activities of the special police force, the Rapid Action Battalion (RAB), and the joint forces remain a special concern. According to unofficial statistics based press clippings and interviews the number of extra-judicial killings of people in custody fell in 2007 whereas the number of deaths from torture increased. Foreign governments kept focus on the issue in political dialogue. So also Sweden, mainly but not exclusively using the EU platform.

In 2007 Government granted all Biharis ("stranded Pakistanis") born after independence citizenship and the right to vote. High-level talks to revitalize the Chittagong Hill Tracts Peace Accord were also initiated. The leader of the largest tribe in the Hill Tracts, the Chakmas, was appointed minister with special responsibility for the area. The situation for Rohingyas, refugees from Burma, improved but remained difficult.

The economy. This is generally seen as a weak spot for Government. The 6.5 percent GDP-growth in 2007, while not low, fell short of expectations. Two major floods during the monsoon period followed by a cyclone in late fall severely affected the agriculture sector and garments exports turned out lower than anticipated. The anti-corruption drive also played a part in the slow-down. Many businessmen kept a low profile not to attract attention from authorities and investments were affected by the sense of uncertainty. Inflation exceeded 11 percent – the highest level in 17 years. With price hikes for basic foodstuffs being even higher and income levels not keeping pace, the poor were hit especially hard. Government sought to counter the effects of rising world market prices and domestic market manipulations through sales of subsidized rice and oils and by actions against hoarders.

Remittances from Bangladeshis working abroad continued to increase, dramatically so. In 2007 they rose by 25 percent to reach a value of almost half of the country's exports earnings. In July–December remittances amounted to close to 3,5 billion USD.

Natural disasters. The natural disasters that hit the country in 2007 served as reminders that climate change is an existential issue for Bangladesh. The geographical location, vast deltas, low elevation, high population density, high levels of poverty and strong dependence agriculture – all contribute to Bangladesh's vulnerability to the effects of global warming (rising sea levels, melting of glaciers, more frequent/violent weather phenomena, etc.). Flood prone areas are expected to rise to 40% by 2050 from a present level of about 25%. Climate change needs to be taken into account in all future development ventures in Bangladesh and the Embassy needs to strengthen its analytical capacity. This to address and conduct dialogue relating to climate-change related issues within existing support and, more generally, to be able to adequately follow, analyze and report back on issues relating to climate change. A closer cooperation with the Swedish Environment Secretariat for Asia (SENSA)

is foreseen. For Bangladesh long-term adaptation strategies are needed that will include, but must include more than, massive investment programmes.

Poverty reduction. Bangladesh continues to do well in relation to many social indicators and has much progress to show towards many of the Millennium Development Goals (MDGs). With poverty falling from 59% to 40% between 1991 and 2005 it is well on its way to achieve MDG 1: halving the proportion of people living below the poverty line and minimum level of energy consumption. The country is also on track to achieve MDG 2 (universal primary school enrolment) and MDG 4 (under-five and infant mortality rates). Under-five child mortality came down from 151 to 62 per 1000 live births between 1990 and 2006. The MDG 3 goals (gender parity in primary and secondary education) have already been met and progress has also been made in relation to some MDG 6 targets (containing the spread of communicable diseases) and MDG 7 (reducing the proportion of population without safe drinking water, and reforestation). The rate of HIV/Aids prevalence remained low (under 1%) but a mere 1% rise would add more than a million to the numbers.

However, serious challenges remain. An area lagging behind is “share of poorest quintile in national income and consumption” (part of MDG 1), an indication that economic growth bypasses the poorest. Other problem areas include maternal mortality rates and the alarmingly high drop-out rates in schools. Bangladesh is unlikely to achieve universal primary education by 2015 unless current trends with respect to access, completion, and low levels of learning achievement are broken and reversed.

The Bangladesh’s Poverty Reduction strategy paper (PRSP) is linked to a Medium-Term Budgetary Framework (MTBF). The PRSP sets out clear policy priorities for the country (but does not prioritize them adequately) and the MTBF links the spending plans of Government to these. The Annual Development Programme (ADP) is the PRSP’s key implementing instrument. It includes all projects and allocations for the country. A PRSP Implementation Forum with development partners present was planned for late 2007 but cancelled in the last minute since an over-stretched Government found it difficult to prioritize, organise and prepare for such a meeting.

Implementation lagged behind in 2007. The slow pace of project preparation and approval as well as limitations encountered at various implementation stages remain key challenges to the development process. The political developments, the natural disasters contributed to this but so did the rigidities and capacity constraints in administration. A civil service reform is needed but not likely to happen soon.

Aid Effectiveness. The dramatic developments in 2007 left behind a different local aid environment. With political will in evidence the climate for dialogue changed for the better and donors stepped forward to support the Government’s reform agenda, addressing as it did many areas of long-standing concern. An example was the support to the preparation of an Electoral Roll with Photographs to which Sweden and many other donors contributed.

Government has adopted a Harmonisation Action Plan (HAP) and established a special HAP-Cell within the Ministry of Finance. While these are positive steps a stronger government leadership is needed to ensure follow-through and implementation. The Government in 2007 began an assessment of the sector programme in primary education from an aid effectiveness perspective, a report that will be ready in early 2008.

Commitment to the Paris Declaration and inspiration from African countries led likeminded donors, including Sweden, to explore possibilities to move towards a Joint Assistance Strategy (JAS) for Bangladesh. For EU member states and the EC the “EU Code of Conduct on Complementarity and Division of Labour” provided a frame of reference and a push for change. A presentation in a Local Consultative Group (LCG) Plenary Meeting highlighted the underlying rationale for a JAS and a small task force, including Sweden, was assigned to work out a terms of reference for a working group with a future JAS as the aim.

While a number of development partners now stand ready to work with Government towards a JAS the idea remained only an idea in 2007. For the process to take off in earnest a strong Government lead is needed and a wider group of donors – including the World Bank and ADB – need to be more fully on board and advance the concept actively. Meanwhile and until this happens the regular EC + EU Member States Development Counsellors Meetings provide a forum to advance the concept of a JAS.

The Embassy enjoys a good cooperation with European Commission. During the period the Embassy has given comments to HQ on the Commissions proposal for a new strategy for Bangladesh as well as on individual projects. The Commission has taken seriously the work to raise awareness about the new EU guidelines on complementarity and division of labour. Also commendable is the fact that the Commission sees the LCG – rather than EU – as the main avenue to pursue the aid effectiveness agenda. A mission to look at ways to further and intensify the cooperation with EC is planned for early 2008.

3. Swedish Development Cooperation – Overall Assessment of the Country Programme

Rather than to take a decision on a new country cooperation strategy for 2007–2011 the Swedish Government opted to extend the existing strategy. This because of the need to await the findings of the comprehensive review of all Swedish partner countries (with a view to make development cooperation more effective through a sharper geographical focus).

The current strategy was prepared as early as 2001 and as such does not reflect the Swedish Policy for Global Development and the Paris Declaration. Nor does it reflect important changes that have taken place in Bangladesh, e.g. the approval of a Poverty Reduction Strategy in 2005 and the shift towards aid modalities such as sector wide approaches and associated aid consortiums. The Swedish portfolio has also undergone changes over time. Projects in local governance and in the area of HIV/AIDS have come to a close, the former due to lack of progress and partly due to the engagement of large donors in this area whereas the latter has taken the form of mainstreaming. The phasing out of private sector development support, a single project, will be complete in 2008.

The proposal for a new 5-year strategy for Bangladesh took the two perspectives of Sweden's Policy for Global Development (*the rights perspective* and *the perspective of the poor on development*) as its point of departure. It identifies *participation, non-discrimination, accountability* and *transparency* as guiding principles that should permeate the cooperation with Bangladesh. In terms of areas of support a continued focus on health, education and human rights/democracy is proposed with urban environment identified as a new area, notably for concessional credits.

The strategic approach of the new proposal was found to be applicable also to the existing strategy and the Embassy devoted time in 2007 to identify practical ways to promote the perspectives and principles. Participation in working groups and the dialogue focus were subsequently adjusted. A review of the Swedish support to civil society organisations from a rights based perspective was commissioned with a view to identify opportunities to strengthen the civil society's monitoring of, and ability to influence, public service delivery. Another initiative linked to the new approach was the launching of the *Reality Check Study*, which is a 'listening' study that over coming years will track changes in poor people's perception of primary health care and primary education services. Decisions to support the Health Watch and preparations for a new phase of support to the program Centre for Mass Education in Science (CMES) were also made.

The most effective way to influence dialogue continued to be to build alliances with like-minded partners, capitalizing on the fact that Sweden is perceived as a credible non-threatening donor without a hidden agenda. Examples of where Sweden in 2007 made an impact include raising and placing the focus on the Paris agenda in the mid term review of the primary education sector programme; inclusion of early abortions and strong support to pro-poverty mechanisms in the urban health programme; and influencing the Bangladeshi organisations working with Sexual and Reproductive Health and Rights.

The Embassy, together with other likeminded donors, actively raised the aid effectiveness agenda in the local mechanism for donor coordination (in LCG ExCom, in LCG Plenary, and in the various subgroups). There is some movement amongst donors to move in the direction stipulated by the Paris Agenda but the process is slow. Sweden (together with countries such as Denmark, NL, Canada, UK and others) works to keep the momentum up. A positive development is that the EC, spurred by the recently adopted code of conduct on complementarity, is beginning to champion aid effectiveness issues. Government ownership and leadership remained weak, exacerbated by the fact that the interim government has a limited time in office and many pressing priorities to attend to.

The average bilateral aid volume under the current strategy has been in the region of 200 MSEK per year with disbursements ranging from 115 MSEK in 2002 to 265 MSEK in 2006. For 2007 the initial country allocation amounted to SEK 210 million. The initial disbursement forecast of 285 MSEK did not materialise because of slower than expected implementation caused by two consecutive floods and a devastating cyclone. The final disbursement figure for the year was 200 MSEK.

4. Specific Country Programme Overview

of the Swedish Development Cooperation

The activities set out in the 2007 country plan have largely been implemented.

The *Agreement on Development Cooperation* and the *Specific Agreement on Personnel and Consultancy Fund* were extended until Dec 2007 to make them correspond in time with the Country Strategy (2002–2007).

A *Strategic Fund* amounting to 10 MSEK over a two-year period was set up to finance activities in support of a new country strategy. One activity funded was the “*Reality Check Study*”. In November the group of experts undertook field work and presented an inception report. To stimulate interest for the approach and in future findings the Embassy introduced the initiative to the SWAp donor consortiums in Health and Primary Education. Much interest was shown by Government, lead donors and other development partners.

A *social sector team* has been set up at the Embassy. Their first tasks was to decide on the Embassy’s participation in SWAp working fora on the basis of an assessment where Sweden would be best placed to promote perspectives and principles, results-based management, stronger links between civil society organisations and the SWAps, and the Paris Agenda.

To help sharpen the focus on outcomes and to promote the use of *Results-Based management (RBM)* as a tool for planning and budgeting Sweden contracted an RBM-expert to work with Government in the preparations for the Mid-Term Review of the primary education sector programme. The Embassy was also instrumental in placing RBM on the agenda for this October meeting. While many challenges remain (capacity, rigid rules and regulations, organisational set-up etc.) the interest shown by Government and other stakeholders in this area is encouraging.

The Embassy gave support to *Bangladesh Health Watch (BHW)*, a civil society initiative. The 2007 report will focus on health workers from different perspectives and will be accompanied by an advocacy campaign.

Education Sectorⁱ

Swedish support to education is aligned with Bangladesh’s Education for All, National Plan of Action II – 2003 to 2015 which in turn builds on the Dakar Declaration and Millennium Development Goals. The overall objective is to provide quality basic education with special focus placed

on access with equity and capacity building to ensure sustainability. The interventions include support to the government's *Second Primary Education Development Programme* (PEDP II), the *Basic Education for Hard to Reach Urban Working Children* (BEHTRUWC) project, and support to the NGO *Centre for Mass Education in Science* (CMES). The latter two interventions cater to children not covered by the formal system and contribute to the development of inclusive education in Bangladesh.

Sida in collaboration with the Government and other donors was able to introduce results based management to ensure a better focus on outcomes to support qualitative planning and implementation during the remaining period of PEDP II.

The Mid-Term Review of PEDP II concluded that the programme had made satisfactory progress towards objectives and targets and also took note of the Government's ownership. 13,000 new teachers were recruited in 2007 in addition to the 12,000 recruited the year before. This means that over 70% of the targeted 35,000 new teachers under PEDP II now have been recruited. The cumulative number of primary school teachers having finished their 1 year certificate training was 45,000 (50% of the total target for PEDP II). Over 50 million textbooks were printed and distributed, and supplementary reading materials were distributed to four types of primary schools. Decentralized School Level Improvement Plans to improve quality were put in place in 26 of the 481 sub-districts and a phased expansion covering more localities will follow. As of October 2007, 70% of the investments to improve physical infrastructure (classrooms, toilets, wells, offices, etc.) under PEDP II had been completed. Actions have been initiated to address the areas of information, transparency, human resources, finance, procurement, administration and devolution. Out of the 33 specific reforms identified, 25 have been substantially met and 8 are under different stages of compliance. The costs of reconstruction and rehabilitation in primary education due to flooding and cyclone SIDR were accommodated in the PEDP II framework.

Assessment of the program is constrained by the absence of current data to demonstrate improvements in, for example, net enrolment rate and completion. In many areas data for 2006 and 2007 will be available first in April 2008. Progress towards inclusive and equitable access to quality education for all was hampered by vacancies in key posts and late deployment of consultants. A World Bank report noted that the stipend programme, financed by Government and meant to reach 40% of the poorest students, was poorly targeted.

This problem notwithstanding the Embassy sees overall progress when measured in terms of implementation of planned activities. Investments in human capital and physical infrastructure continued in 2007 to lay the foundations for a more efficient and sustainable management of primary education. With strategies and actions plans in place for inclusive quality education the main challenge in the remaining part of PEDP II will be to ensure implementation and, linked to this, capacity building. A Human Resource Development Strategy has been developed but the action plan is not yet approved.

The project for urban working children, BEHTRUWC (2004–2009) opened more than 3300 learning centres for more than 80 000 working children during 2006–2007. The target for the project period is 8000 learning centres. The Swedish support was used for development of life skills based education materials, for opening new learning centres, NGO support, certificates for 50,000 children completing cycle one, training of

trainers, teachers, supervisors, strengthening capacity in policy implementation and monitoring, and awareness building on child rights.

The NGO *CMES* will be supported with an amount of 18 million SEK over the period September 2007–October 2010. This project will be co-financed with the Swiss Development Cooperation agency. An external evaluation showed that most of the quantitative targets for the previous phase were met and that substantial progress also had been made to qualitative targets relating to better technical skills based curriculum, more support in employment/self employment initiatives, gender and poverty monitoring, and community social enterprises.

i Sources (Education):

- PEDP II Mid-Term Report – Directorate of Primary Education, October 2007
- Bangladesh: PEDP II, Background Documents for Mid-Term Review, Directorate of Primary Education, October 2007
- Draft Final Aide Memoire of PEDP II Mid-Term Review, ADB, December 2007
- Social Sector Performance Surveys, Governance, Management and Performance in Health and Education Facilities in Bangladesh, January 2007
- Education for All in Bangladesh: Where Does Bangladesh Stand in Terms of Achieving the EFA Goals by 2015, Human Development Unit, South Asia Region, World Bank, August 2007 (draft)
- Progress Report, BEHTRUWC, for Sida, 2007, by UNICEF
- Major Things Planned and Achieved During the Phase 2004–2007, CMES, 2007

Other Documents:

- Learning for Change, Education for All, National Plan of Action (NPA II), 2003–2015, Ministry of Primary & Mass Education, 2007
- Social Inclusion: Gender and Equity in Education SWAPs in South Asia, Bangladesh Case Study, Mahbuba Nasreen & Sean Tate, UNICEF, 2007
- Financing Primary & Secondary Education in Bangladesh, CAMPE, 2007

Health Sectorⁱⁱ

The *Health, Nutrition and Population Sector Programme (HNPS)* 2005 – 2010, a sector-wide programme to which Sweden contributes in the form of pool funding, aims to help Bangladesh attain the health related Millennium Development Goals. The Annual Programme Review (APR) held in spring 2007 concluded that progress was less than satisfactory. Problems related to financial management, procurement and the frequent transfers of key staff continued to affect implementation. Concern was also raised that key institutional structures such as the Management Support Agency and the Performance Management Agency were not yet in place.

The APR findings led to Government taking remedial actions. The Programme Support Office was made operational and a Management Support Agency was recruited to assist the diversification of service provision through the NGOs and the private sector. An accelerated service delivery plan (covering nutrition, maternal, neonatal and child health) was put in place to expand services to the poorest districts and to the poorest populations within these districts. Actions to strengthen financial management were taken and the Ministry of Health and Family Welfare identified ‘programme anchors’, key personnel in key positions that would not be transferred abruptly at short notice.

A stock-taking conducted in November showed that the above actions had led to progress in relation to many of the APR recommendations. Financial management reporting showed tangible improvements and

better management and stronger Government ownership had resulted in stronger accountability for implementation. The Government had also successfully mobilised HNPSP funds to respond to the floods and avian flu. However, progress was not visible in all critical areas. The procurement tracking systems and the accreditation system for the Women Friendly Hospital Initiative was still not in place, the Management Information System showed no improvement, the internal audit was delayed and signs pointed to limited ownership over outcomes/activities in areas of citizen voice and tribal health.

The *Second Urban Primary Health Care Project (UPHCP-II)*, June 2005 to December 2011, forms part of HNPSP and is led by the Ministry of Local Government and Rural Development in a decentralised way through six city corporations and five municipalities. In 2007 two joint Reviews of UPHCP-II were conducted, the first in March and the second in December. The Government, the Embassy of Sweden and other co-financiers joined the review exercises. The reviews confirmed that all 24 “partnership areas” managed by the NGOs were operational and concluded that the project is on track and making satisfactory progress with respect to implementation. However, extra efforts were seen as necessary in areas such as monitoring and supervision, pro-poor targeting, timely reporting, and hiring of consultants.

The progress reports from the NGOs show that not all are performing menstrual regulation (MR) services. The March review noted a decline in MR service delivery in some ‘partnership areas’ and recommended that the Project should carefully monitor the MR services and give support that will enable the NGOs to address the issue effectively. The December review concluded that the NGOs concerned should be cautioned that performing MR services is a contractual obligation and that non-compliance would lead to consequences.

The Embassy of Sweden, the EC and the Embassy of Netherlands commissioned an assistance and appraisal mission on the *Chittagong Hill Tracts (CHT) Health Initiative*

in December 2005. Based on the recommendations of the mission and Joint UN Programming Guidelines, the UN agencies have since revised the design but did not engage in a discussion with the Embassy on this project in 2007.

Support to Menstrual Regulation (MR) Services through the NGOs RHSTEP, BWHC and BAPSA. The previous phase of support came to an end in June 2007. An evaluation in March 2007 concluded that the performance by the three NGOs had been satisfactory but saw scope for improvement in areas such as training, the Behavioural Change communications (BCC), and the quality of care. The Swedish Association for Sexuality Education (RFSU) visited Dhaka spring to assist the NGOs to design a joint programme in the area of Sexual and Reproductive Health and Rights. Following a Financial Management Capacity Assessment RHSTEP was selected as lead NGO with responsibility for financial management and monitoring. The assessment uncovered signs of mismanagement of funds in one of the organisations, BWHC, and a follow-up audit of investigative nature was launched. If suspicions are confirmed one consequence will be that BWHC will not form part the joint programme.

The Embassy supported the *Bangladesh Health Watch*, a civil society initiative, for its activities in 2007. The 2007 report will be launched in the first quarter of 2008 and will focus on the health work force in Bangladesh, a subject that will be analysed from a variety of perspectives using the findings from four separate studies.

ii Sources (Health):

- The APR Report, March 2007
- Aide Memoire of HNPSP Mid Year Stock-take, November 2007
- HNPSP Programme Implementation Report (PIR) 2008
- Aide Memoire of UPHCP-II Review Mission, March 2007
- Aide Memoire of UPHCP-II Review Mission, December 2007
- Evaluation of the Swedish Support to The Menstrual Regulation Program of Bangladesh, March 2007
- Bangladesh Health Watch, Background and Budget 2007, May 2007

Democracy and Human Rights

A comprehensive review of Sida's human rights NGO portfolio was conducted to lay the ground for future support. Agreements with three human rights NGOs were extended to ensure uninterrupted support while the review was ongoing. An area that the study looked into was the potential of the respective organisations to help create and/or contribute to demand-side pressure for better service delivery in primary education and health.

The review found that all organisations had implemented project activities in their respective fields (women's and children's rights, equity, land rights, anti-corruption work) with a reasonable level of effectiveness. Only two of the organisations were found to have natural linkages to primary health and primary education, namely Steps towards Development and Samata. Other organisations like Bangladesh National Women Lawyers Association (BNWLA), Ain O Salish Kendra (ASK), Centre for Policy Dialogue (CPD), Integrated Development Foundation (IDF) and National Democratic Institute (NDI) were found to play important roles as advocates and promoters of democracy and human rights in Bangladesh. Initiatives within the respective organisations to create demand-side pressure on the two sectors from below proved hard to find. The findings of the review will be discussed further within the embassy and with other donors.

With respect to one of the organisations under study, Samata, suspicions of corruption emerged in the context of a Financial and Management Audit Review during the summer. This led UK/DFID to commission Ernst and Young (India) for an in-depth study to investigate possible fraudulence. The study was done on behalf of all donors with Norway and Sweden contributing to the Terms of Reference. The study confirmed suspicions and since October all three donors have stopped their disbursements to Samata. Funds provided to Samata under Sweden's separate agreement will be subject to a separate investigative audit.

The Embassy has focussed in on a handful of organizations. Given existing capacity constraints the objective has been to develop close relations and a constructive dialogue with a select group of partners. However, as part of the thinking around a future human rights portfolio, the idea of using an 'umbrella organisation' (Manucher Jonno Foundation (MJF)) as a way to channel support to larger number of NGOs have been discussed. However, consultations with potential co-donors and a number of national NGOs revealed several problematic issues, among these MJF's difficult role as both a fund provider and a competitor for funds amongst national NGOs, and the funding restraints linked to MJF's status as a national NGO. In light of the above preparations for entering into an agreement with MJF have been shelved.

In support of the 2008 parliamentary elections the Embassy entered into an agreement with the Asia Foundation on the 'National Election Pro-

gramme' in 2006. Within this programme, the Election Working Group in December 2007 completed its tenth rapid assessment of citizen perception of recent political and other events in Bangladesh. The assessment is based on a sample of 1,200 individuals from various categories of the population. Respondents were asked if they felt personally better off in October 2007 than in December 2006 before the current Government assumed power. In general, respondents felt that they were better off in terms of social and political considerations, but worse off economically.

In 2007 the Embassy, along with seven other donors, signed an agreement with UNDP on support to the project 'Preparation of an Electoral Roll with Photographs'. This project provides support that will enable the Bangladesh Election Commission to prepare a credible voter list for elections in 2008 and to maintain and update the nationwide list thereafter. By December 2007, more than 20 million voters had been registered with photographs.

Urban Environment/Concessionary Credits

SIDA/INEC visited Bangladesh twice during the period to discuss the possible credit financing of a Common Effluent Treatment Plant for tanneries in Savar. The Project Committee Meeting at Sida/INEC in August identified a large number of outstanding issues. Re-tendering was identified as a non-negotiable precondition for Swedish financing. Following a mission in September Sida decided not to consider funding this project.

SAREC – Research Assistance

Additional support to ICDDR,B for research and advocacy on sexual and reproductive health and rights (SRHR) in 2007–2008 will be financed from the Bangladesh country frame. Funds have been delegated to Sida/SAREC for the purpose. A decision was taken in fall 2007.

Reconstruction and Relief

Sida's support to the Rural Infrastructure component of the Emergency Flood Damage Rehabilitation Project (EFDRP) through ADB came to an end in 2007. The project completion review by ADB could report that the loan proceeds had been utilized for rehabilitation/construction of 5,500 km of rural roads, and 13,200 meters of bridges and culverts. The review rated overall implementation as highly satisfactory.

The Embassy entered into an agreement with UNICEF for the project 'UNICEF Post Cyclone Response – Education and Child Protection' in December 2007. With a total cost of MSEK 24.3, the project will help strengthen UNICEF's ongoing efforts to restore cyclone affected children's right to quality education and ensure a protective environment to the children through provision of psychosocial support, as well as identification and reunification of separated children. The project will target 700,000 primary and pre-primary school age children under the Education component and another 20,000 children (50% girls) under the Child Protection component in the districts worst affected by Sidr. The total Swedish support to the victims of Sidr – including Humanitarian Assistance – exceeded 40 MSEK.

Swedish NGOs

About half a dozen Swedish NGOs work in Bangladesh with funds from Sida's allocation for NGOs. They mostly work on democracy and HR-issues, equity and in the social sectors and always in partnerships with local NGOs/CSOs.

5. Office and Administrative Issues

The Embassy submitted its response to Sida HQ regarding the findings and recommendations by the Quality Assurance Team that visited the Embassy in 2006.

In May an Embassy anti-corruption action plan was adopted. The plan has its focus on procedures to minimize risks in projects (including planned use of call-off agreement with local audit company), competence development and staff ethics and on systems to ensure on-time reporting. The finalisation of the plan was preceded by consultations with Sida HQ. The Embassy devoted the major part of its “all-staff planning day” in early spring to questions relating to corruption and work ethics.

An Embassy Inspection took place in May. The Embassy has followed up on the suggestions made by the inspectors. A central system capable of keeping tabs on reports being received on time has been established and decision covering the controller function has been taken.

In fall the National Audit Bureau undertook an audit with the development cooperation in special focus. The final report, not yet presented, will cover also the Embassy in Colombo and the Swedish development cooperation with Russia.

Annex 1

Fact sheet: social and macro-economic indicators – Bangladesh

General

Official name	The People's Republic of Bangladesh
Capital	Dhaka
Area	148 000 km ²
Language	Bangla 95%, others (incl minorities) 5%
Religion	Muslims 88%, Hindus 10%, Others 2%

Governance

Constitution	Republic; Parliament with ceremonial head of state
President	Dr Iajuddin Ahmed
Prime Minister/Chief Adviser	Dr Fakhruddin Ahmed
Major political parties	Awami League(AL); Bangladesh Nationalist Party (BNP)
General Elections	Last held in 2001. New elections planned for 2008.

Demographic trends¹

Total population	153.3 million (2005)
Annual population growth	1,6% (2005–2015)
Urban/rural population	25% (2005)
Population under age 15	35.2% (2005)
Population aged 65 and above	35% (2005)
Total fertility rate(births/woman)	2.7 ²

Economic performance

GDP/PPP (USD billion)	61.8/209 (2007)
GDP/PPP (USD per capita)	1400 USD (2007)

¹ UNDP Human Development Report 2007/2008

² Bangladesh Demographic and Health Survey (BDH) 2007

Real GDP growth	6.5 % (2006/07)
GDP growth rate per capita	2.5% (1990–2004)
Consumer Price Inflation	10% (2007)

Structure of trade

Main sectors (2007)	Agriculture 19%, industry 28.7%, service 52.3%
Imports of goods and services	14.1% (2007)
Exports of goods and services	15.7% (2007)
Major export products	Garments, fish/prawns, jute goods, leather and hides
Main export recipients	USA, EU
Swedish imports from BGD	1367 MSEK (95% garments, incl. knitwear) (2007)
Swedish exports to BGD	1549 MSEK (70% telecoms equipment) (2007)

Flow of aid and private capital

Official Development Assistance	USD 2,017 billion (calendar year 2007)
Of which multilateral aid	75.7%.
Net aid-flows as proportion of GDP	1,2 %
Remittances	USD 6 billion (2006/07)

Social indicators

Population living on less than USD 1/day	40% (2006)
Income distribution	Top 10% get 37.6% (2005)
Gini co-efficient	0.47 (2005)
Human Development Index	137 (2006)
Adult (15+) literacy rate	52.7% (2005) ³
Net enrolment (prim. education)	87.2%. Boys 84.6%, Girls 90.1% (2005) ⁴

Ratio of girls to boys in primary

and secondary education	48:52 (2005) ⁵
Under 5 mortality rate	65/1000 (2007) ⁶
Population undernourished	41% (2007)
Maternal mortality ratio	337/100 000 live births ⁷
Proportion of births attended by skilled health personnel	17.8%
Life expectancy at birth	63.1 years ⁸
HIV prevalence (% ages 15–49)	Below 1% (2007)
Detection of TB positive smears	72%

³ Education for All in Bangladesh, WB, August 2007

⁴ PEDP II Baseline survey GoB

⁵ UNDP Human Development Report 2007/08

⁶ BDH 2007

⁷ BDH 2007

⁸ UNDP Human Development Report 2007/08

Annex 2



Country report - Bangladesh

Outcome and forecast in TSEK

Delimitation:

Status: I, P, A and C

Region/Country: Bangladesh

Other: (agr end > 200700 or Outcome <> 0)

Responsible Unit (All)

			Data		
Allocation Frame	Allocation Account	Contribution	Outcome 2007	FC 2008	FC 2009
Inside country allocation	15511 Bangladesh	42000001 EFDRP Flood Rehab. ADB	0	0	0
		42000063 Hlth&Pop, Sector Program	-958	0	0
		42000065 CMES	2 198	0	0
		42000084 HNPSP	120 693	124 300	125 000
		42000095 BEHTRUWC - Second Phase	274	37 876	32 550
		42000096 PEDP II	520	53 995	59 521
		42000126 Personnel & Cons. Fund	270	200	0
		42000129 Ain O Salish Kendra (ASK)	1 188	0	0
		42000130 BNWLA	1 476	0	0
		42000131 Steps Towards Development	1 451	0	0
		42000134 Center for Policy Dialog	635	445	220
		42000135 Integrated Dev. Foundatio	554	930	0
		42000145 SAMATA (Gr. Faridpur)	3 186	1 729	0
		42000146 TiB - Bangladesh	1 238	1 778	0
		42000163 National Dem. Instt.	1 721	0	0
		42000164 RHSTEP	2 551	0	0
		42000165 BAPSA	212	0	0
		42000166 BWHC	0	0	0
		42000167 KATALYST - PSD	9 454	0	0
		42000168 Second UPHCP	6 000	6 000	6 000
		42000169 CHT Health Initiative	0	7 000	8 000
		42000172 Minor Study	60	0	0
		42000174 Election Observ. 07 TAF	0	0	0
		42000175 Strategic Fund 2007 & 08	1 319	8 679	0
		42000176 Photo Voter ID Bangladesh	7 000	0	0
		42000177 Support to SRHR NGOs	0	14 000	14 000
		42000178 CMES, 2007-2010 Phase	0	6 100	6 000
		42000179 ICDDR,B 2007-2009	0	10 000	10 000
		42000181 PEDP III	0	0	0
		42000182 UNICEF Cyclone Assistance	24 300	0	0
		42003212 IDEAL - PRIMARY EDUCATION	0	0	0
		71001118 BGD PSD	0	0	0
		75000508 ICDDR,B 2007	10 000	0	0
78400038 Bangladesh/parElection/EU		37	0	0	
	15511 Bangladesh	Total	200 010	273 031	261 290
Inside country allocation Total			200 010	273 031	261 290
Grand Total			200 010	273 031	261 290

Annex 3

Reports of interest for annual report

The Stakeholder Consultation Report, Bangladesh Institute of Development Studies (BIDS), March 2008

Utilisation of Essential Service Deliver (USED) Survey 2006, NIPORT, April 2007

Aid effectiveness, 2006, Survey on Monitoring the Paris declaration, Overview of the results, OECD, June 2007

Learning for Change, Education for All, national Plan of Action (NPAll), 2003–2015, Ministry of Primary & Mass Education, 2007

Social Inclusion: gender and Equity in Education Swaps in South Asia, Bangladesh case study, Mahbuba Nasreen & Sean Tate, UNICEF, 2007

Financing Primary and Secondary Education in Bangladesh, CAMPE, 2007

Millenium Development Goals; Mid-Term Bangladesh Progress Report 2007, General Economics Division, Planning Commission, Government of Bangladesh

Bangladesh Demographic and Health Survey 2007, Preliminary Report, December 2007

Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.



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