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WUD

UNDP Project RAS/81/001

Memos, letters  
1984-1985



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WUD - United Nations Development Program [UNDP] Project RAS/81/001 - Memos / Letters - 1984 / 1985

May 23, 1985

Mr. Roy D. Morey  
Chief  
Division for the Regional Programme  
Regional Bureau for Asia and the Pacific  
United Nations Development Programme  
One United Nations Plaza  
New York, New York 10017

Dear Mr. Morey,

Re: RAS/81/001--Preparation of Water Supply and Sanitation Projects

In his letter of May 2, 1985, to Mr. Cohen, Mr. Zacharia asked us to let the Regional Bureau know when the experts drafting the RAS/81/001 project revision were to take up their assignments in the field.

The experts, both of whom are Bank staff members, are now in the field. Mr. Chandra Godavitarne, who is covering our South Asia Region, left on mission April 13 and is expected to return June 8. Mr. Arthur Bruestle, who is covering our East Asia and Pacific Region, left May 20 and is expected to return July 10. Given the short period for preparation of a revised project document, we intend to begin drafting the revision immediately upon Mr. Godavitarne's return. Mr. Bruestle will fax portions from the field for integration into the document, which we expect to be ready for final discussion and review when he returns. Both Messrs. Godavitarne and Bruestle have been making preparations for their overseas assignments, so that they can take up their posts as soon as the RAS/81/001 extension has been approved.

Please let me know if you have any further questions.

Sincerely,

Richard W. Middleton  
Project Manager INT/81/047  
Water Supply and Urban Development Department

cc: Messrs. Sandstrom (ASPUW); Sud (AEPW)

BGross:pd

Letters

<b>ROUTING SLIP</b>		DATE: April 16, 1985	
NAME		ROOM NO.	
Messrs. Sandstrom, Godavitarne		(ASPUW)	
Sud, Bruestle		(AEP UW)	
Middleton		(WUDWS)	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		<b>URGENT</b>	
REMARKS: Copy of the letter from UNDP/RBAP, outlining the conditions under which they agree to fund the preparation of a new project document, and agreeing in principle to extend RAS/81/001, "subject to the submission of a viable project revision...."			
FROM: Bruce Gross		ROOM NO.: N-838	EXTENSION: 61472

**UNITED NATIONS  
DEVELOPMENT PROGRAMME**



**PROGRAMME DES NATIONS UNIES  
POUR LE DEVELOPPEMENT**

ONE UNITED NATIONS PLAZA  
NEW YORK, N.Y. 10017

TELEPHONE: 966-6000

CABLE ADDRESS: UNDEVPRO • NEW YORK

REFERENCE: RAS/81/001

APR 15 1985

Dear Mr. Cohen,

Subject: RAS/81/001 - Preparation of Water Supply and Sanitation Projects

I refer to your letter of 18 March 1985 addressed to Mrs. Miller concerning the extension of the current phase of the project and the proposed preparatory phase for a possible Phase II of the project.

Following the Bank's consultations with Mrs. Miller, we agree to (1) maintain the existing project staff and their activities at the present level through June 30, 1985, costed at \$172,900 and (2) provide five man-months of consultancy for the preparation of the next phase of the project by having one consultant based in Dhaka, Bangladesh and one in Bangkok, Thailand, in order to have maximum impact on priority countries in the wide geographical area being covered. We understand that if we find the proposal developed by these consultants to be a viable one, the same two consultants are prepared to take on the longer term Phase II assignment. We agree to the additional cost of \$60,000 for the salary and travel costs of the consultants in question for the preparatory follow-up phase of the project.

We would appreciate it, therefore, if you would prepare a revision reflecting an additional budgetary increase of \$106,000 to meet the additional activities of the project to be undertaken by 30 June 1985. This is apart from the rephrasing of unspent project funds from 1984 to 1985.

We have reviewed the proposed terms of reference for the preparation of the extension of the project which was attached to your letter of 18 March 1985 and would like an amendment made in the first line of

/...

Mr. Michael Cohen  
Division Chief  
Operations Support and Research Division  
Water Supply and Urban Development Department  
The World Bank  
1818 H Street, N.W.  
Washington, D.C. 20433



- 2 -

paragraph 1, page 1, so that the sentence would read, "UNDP intends, subject to the submission of a viable project revision, to extend the Regional Asia Project RAS/81/001 . . ." Other than this, we find the terms of reference reflect the understanding reached between the staff in this Division and Mr. Middleton and his colleagues from the Bank during their visit to UNDP on 14 March 1985.

With best wishes.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Roy D. Morey".

Roy D. Morey, Chief

Division for the Regional Programme  
Regional Bureau for Asia and the Pacific

**The World Bank**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

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Washington, D.C. 20433  
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Cable Address: INTBAFRAD  
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B9.

March 18, 1985

Ms. Leueen Miller  
Regional Bureau for Asia  
United Nations Development Programme  
Room DC1/2310  
1, United Nations Plaza  
New York, NY 10017.

Dear Ms. Miller,

Project RAS/81/001: Preparation of Water Supply  
and Sanitation Projects

Following the evaluation of this project, we have reviewed in detail the funding requirements necessary (a) to maintain the existing project activities at their present level through June 30 1985, and (b) to provide five man-months of consultancy for the preparation of the next phase of the project. As you know, we propose that this second phase be undertaken by two full-time staff (supported by a consultant budget), one based in Dhaka, Bangladesh and one in Bangkok, Thailand, in order to have maximum impact on priority countries in the wide geographical area that they must cover. We also propose that the preparatory phase should be undertaken by these same staff, in order to minimize the loss of momentum in the transition between the two phases, and so each staff member would work on the preparatory phase for two and a half months, rather than one person for six man-months as originally envisaged. (The proposed terms of reference for this preparatory phase are enclosed for your review and comment).

We have concluded that the total funding requirement for the six-month period January-June 1985 is \$232,000 (see detailed budget attached). By far the greatest part of this total, \$172,900, is accounted for by the maintenance of the present project staff; the balance, \$60,000 allows for the salary costs and travel of the two staff to be engaged in the preparatory phase.

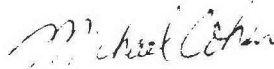


March 18, 1985

At the end of 1984 the project budget was rephased, to accrue into 1985 funds saved as a result of the delay in recruiting a second staff member for the Colombo office. This rephase brought funds totalling \$126,000 forward into 1985.

We therefore request your approval of a budget increase totalling \$106,000 to meet the overall activities for the period ending June 30th 1985. As soon as we receive this approval, we shall arrange to issue the corresponding budget revision and to make the administrative arrangements necessary to transfer the staff onto the preparatory activities budget.

Yours sincerely,



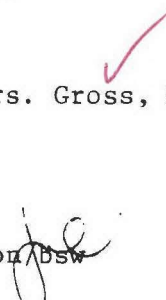
Michael Cohen  
Division Chief

Operations Support and Research Division  
Water Supply and Urban Development Department

Attachment

CC; Messrs. Gross, Kozel, Ms. del Castillo

RNmiddleton Absw



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<b>File Title</b> United Nations Development Program [UNDP] Project RAS/81/001 - Memos / Letters - 1984 / 1985		<b>Barcode No.</b>  30146426		
<b>Document Date</b> March 18, 1985	<b>Document Type</b> Budget			
<b>Correspondents / Participants</b>				
<b>Subject / Title</b> Proposed Budget for January 1 - June 30, 1985				
<b>Exception(s)</b> Personal Information				
<b>Additional Comments</b>		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td><b>Withdrawn by</b> Ann May</td><td><b>Date</b> February 22, 2021</td></tr></table>	<b>Withdrawn by</b> Ann May	<b>Date</b> February 22, 2021
<b>Withdrawn by</b> Ann May	<b>Date</b> February 22, 2021			

50. Miscellaneous

51. Operations and maintenance of equipment	-	200	500	700
53. Sundry	-	<u>2,500</u>	<u>2,000</u>	<u>4,500</u>
59. Component total	-	<u>2,700</u>	<u>2,500</u>	<u>5,200</u>
GRAND TOTAL		<u>150,800</u>	<u>81,200</u>	<u>232,000</u>

Supporting Assumptions

10. Project Personnel

11.04 Subcontract for computer program revision,  
documentation, etc. 7,000

13. Support Staff

	<u>Annual Salary</u>	<u>Including Salary</u>	<u>Semi-Annual</u>
	<u>Adjustment</u>	<u>Salary</u>	
(A) <u>Colombo</u>			
(a) Salary 13.01	Rs.41,900 x 1.12 =	47,000	23,500
13.02	Rs.27,975 x 1.12 =	31,500	15,750
13.03	Rs.21,675 x 1.12 =	24,300	12,150
		Sub-total	Rs.51,400
(b) Final Benefit			
Payment .01	Rs. 6,600.		
.02	Rs.11,000.		
.03	<u>Rs.10,200.</u>		Rs.27,800
(c) Medical Benefits			
.01	Rs. 5,000.		
.02	Rs. 5,000.		
.03	Rs.10,000.	<u>Rs.20,000.</u>	
		Colombo Grand Total	Rs.99,200.
		US\$ (26.-)	US\$ 3,800

(B) Manila

.01 Research Assistant US\$600 x 6      US\$ 3,600  
Research Assistant Travel      US\$ 5,700  
.02 Administration-Peso 54,000 for 6 months (18.0) = US\$ 3,000  
Manila Grand Total      US\$12,300

15. Official Travel

	<u>January-February</u>	<u>March</u>	<u>April-May</u>	<u>June</u>	<u>Total</u>
Expert: .01	US\$2,500	5,000	5,000	1,000	13,500
.03	-	1,200	5,000	1,000	7,200
.05	-	-	4,000	6,000	10,000
.06	-	-	4,000	6,000	<u>10,000</u>
					US\$40,700

40. Equipment Component

41.	Stationary, paper for copying, toner, ribbon etc. January-February Rs.6,500; March-June Rs.6,000;		
	Colombo: Total - Rs.12,500	US\$ (26.0)	500
	Manila: (estimate)	US\$ 200	
42.	Computer and peripheral (delivered in Manila)		US\$7,000
43.	Premises: Colombo - Rs.22,657.50 x 6 -		Rs.135.960
		US\$ (26.0)	5,300
	Manila	0	-

50. Miscellaneous

51.	Colombo: January-February Rs.4,700; March-June Rs.6,000 Total Rs.5,300	US\$ (26.0)	200
	Manila: (estimate maintenance of computers)		US\$ 500
53.	Colombo: January-February Rs.22,900; March-June Rs.40,000 Total Rs.63,000	US\$ (26.0)	2,400
	Manila: (estimate)		US\$2,000

John Courtney, Acting Project Manager WUDWS

Terms of Reference: Preparation of Project Document for the Extension  
Phase of UNDP/World Bank Project RAS/81/001

1. UNDP intends to extend the Regional Asia project RAS/81/001 - Preparation of Water and Sanitation Investments Project, implemented by the World Bank, for a further two years, starting from July 15, 1985. Your respective division chiefs, who are co-managing the Project, have agreed to make you available to the Project from May 1, 1985, to draft the Project Document revision and to arrange for all necessary preparatory work required for your starting field assignments by August 1, 1985.
2. The Bank project management has also indicated its intention to organize the project's field operations through two offices. One located in Dhaka, headed by Mr. Godavitarne, will be expected to concentrate its activities essentially in Bangladesh, Burma, Nepal, and Sri Lanka. The second office, located in Bangkok and headed by Mr. Bruestle, will be expected to concentrate on activities in Indonesia, Thailand, and China, assuming that China (a priority country for sector investment) will endorse the Project in the near future.
3. Experience of the project's first phase shows that the design of the extension phase needs to include a concrete plan of action sanctioned by the government agencies of the countries of the core program. You should therefore meet separately with the above countries selected in your operating area and arrange for consultations with government and aid agencies active in these countries to develop such a concrete plan of action for further activities to be included in the extension phase.
4. These consultations should identify:
  - (i) The form and extent of assistance required and likely to be provided by RAS/81/001 to each sector agency in the identification and preparation of investment and technical cooperation projects suitable for external financing within the framework of a comprehensive sector development strategy.
  - (ii) International aid agencies (multilateral and bilateral) which are interested in supporting development of the water and sanitation sectors, either directly or through urban or rural development projects in the above

countries, and which are amenable to PPU involvement in the preparation of projects for their financing.

- (iii) The extent of formal and informal training of sector agency professionals in the planning and preparation of projects for water supply and sanitation expected to be provided through the Project.

5. The main conclusions of your consultations with government and aid agencies will be recorded in a form of Aide Memoires prepared during your mission and left with government and with RR UNDP in each country. You will ensure in every country that the RR UNDP and the Resident Mission of the World Bank (if applicable) are briefed on all your activities and, where appropriate, participate in your discussions.

6. It is anticipated that the fieldwork will be completed by the end of June, 1985 (detailed TOR for individual mission schedules will be issued by your respective Division Chiefs in due course). Where possible Mr. Kozel will accompany you on these missions and introduce you to key sector staff as well as providing general guidance and background information. By July 15, you will complete drafting a project document for the extension phase of the project, for discussion and internal clearance followed by consultations with UNDP/RBAP and finalization for distribution to the participating countries. It is expected that you will take up your field assignments on August 1st or as soon as possible thereafter.

7. More detailed addenda to these TOR in relation to selected core countries are attached in Annexes 1 and 2.

JKozel:ll

Attachment

Cleared with and cc: Mrs. Trask (ASPED); Messrs. Ahmad (AEP UW);  
Sandstrom (ASPUW); Howlett (AEPTA)

cc: Messrs. Cole (AEASE); Koch-Weser (AEACH); Ms. Hamilton (AEAIN);  
World Bank Field Offices: Messrs. Rowe, Bangladesh;  
Waide, India; Rao, Indonesia; Slade, Nepal; Hawkins, Sri Lanka;  
Hermans, Thailand

Addendum to Terms of Reference  
Bangladesh-based Project Preparation Units

In Bangladesh the Ministry of Local Government (MLG) and its Department of Public Health Engineering (DPHE) are in the process of arranging for a water supply and sanitation sector study initiated by the Planning Commission. DPHE is also preparing a project for improvement of water supply/sanitation in upazila centers in which the PPU has been extensively involved. There are a number of agencies currently assisting in the sector development, such as the World Bank, the Asian Development Bank, the Dutch Government, JAICA, UNICEF, UNDP, and DANIDA. The PPU has in the past established contacts with all these agencies and is actively cooperating with DANIDA in preparing the project in Upazila Centers in which DANIDA is interested. The orientation of PPU further assistance should be discussed with the Planning Commission, MLG, and essentially with DPHE. Key aid agencies should also be contacted and their future plans for the sector identified in light of possible PPU inputs.

In Burma the Ministry of Home Affairs, supported by the Ministry of Construction, and the Ministry of Agriculture and Irrigation, are leading institutions in the sector, responsible for urban and rural water supply respectively. Coordination of their plans within the Decade is being provided by the Planning Commission. Agencies providing major assistance in the sector are the World Bank, ADB, and the Australian and Dutch governments. PPU has started initial contacts with the government, resulting in development of a program focussed essentially on training of government staff in planning and project preparation. Due to slow action on government's side, as well as PPU's inadequate capacity, the achievements have been small. A new program for renewed assistance should be established with the government institutions which will take into consideration current constraints and need for considerable element of PPU's follow up.

In Nepal a project prepared by PPU for water supply in the Western Region is under consideration by GTZ. The Department of Water Supply and Sewerage is in the process of scaling down the project to suit GTZ resources. The World Bank is coordinating modalities as it includes an important training element capable of application. Future PPU activities should assist in follow-up exercise. A complementary effort is a proposed UNDP-supported water supply and sanitation sector study initiated by the World Bank to assist in institutional strengthening and prioritizing investments. This would provide better coordination for the bilateral assistance. Interaction with the study would benefit PPU activity generally.



In Sri Lanka the water supply sector is managed by the Ministry of Local Government and its key institution, the National Water Supply and Sewerage Board. Sanitation is under the Ministry of Health. Coordination is organized through the Ministry of Finance and Planning. A number of aid agencies are assisting the sector development. The PPU has been involved in designing the Rural Water Supply and Sanitation Program which is in the final stages of approval. Future assistance to be discussed should be concerned with follow-up assistance to this Program and with greater involvement in coordination of external assistance to the sector.

The Government of India is in the process of endorsing the project and is likely to express particular interest in training and dissemination of new techniques for project design and evaluation. If and when GOI endorses the project, a statement should be prepared and discussed on how PPU assistance can be provided.

Addendum to Terms of Reference  
Thailand-based Project Preparation Unit

In Thailand the National Economic and Social Development Board has been studying means for rationalizing the rural water and sanitation sector. A report commissioned by the Board has recently been completed. The potential role of PPU in assisting the Board will be explored during a mission to Thailand and the next steps agreed. Other agencies active in the sector, in particular the Ministry of Health and the Provincial Waterworks Authority (for rural and urban water supply), will also be visited for an exchange of views, as will potential donor agencies located in Thailand.

In China, because of its geographical size and institutional diversity, an approach distinguishing between the different needs of the rural and urban sectors, and focussing on the needs of selected provinces, will be explored. For the rural sector, the Technical Advisory Center of the Institute for Health (one of several specialized institutes under the Ministry of Health) has started some sector work with the support of the National Patriotic Health Campaign Committee (the leading central agency responsible for rural water supply in China) but is looking for guidance and assistance from outside China. Its work program should be reviewed during the mission to China and the potential role of PPU to advise and to mobilize external financial and technical support should be reviewed.

For China's urban sector, based upon the Bank's knowledge of the sector acquired over the past three years, a provincially-based work program in two or three provinces offers most potential, and should be explored. Together with Bank staff, who will review the infrastructure and institutional needs of other urban subsectors, the PPU will examine the water supply, waste water and environmental needs for infrastructure and institutional development in these provinces, and also search for donor support. The proposed process should be discussed with the Ministry of Urban and Rural Construction and Environmental Protection (for urban); the Ministry of Health, Institute of Health and Patriotic Health Campaign Committee (for rural); and the Ministry of Finance and the National Planning Commission.

In a visit to Indonesia sector needs should be discussed with Cipta Karya (for the urban sector), the Ministry of Health (for the rural sector), and BAPPENAS (the central planning agency). The World Bank's resident mission should be asked to provide advice, support, and help with initial contacts. Donor agencies with representatives in Indonesia, such as Australia, the Netherlands, and Switzerland should also be consulted. There are many donor agencies and one possible key role of PPU will be to try to coordinate and rationalize their participation in the sector.

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NEW YORK, N.Y. 10017

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REFERENCE: RAS/81/001

MAR 8 1985

Dear Mr. Cohen,

Subject: RAS/81/001 - Preparation of Water and Sanitation  
Investment Projects

We refer to your letter of 25 February 1985 providing us your comments on the recent project evaluation report and outlining your suggested course of action vis-à-vis preparation for a second phase of the project. I understand that Mr. Middleton and the Bank staff concerned will be discussing this in further detail with Mrs. Miller when they visit the Bureau on 14 March 1985.

We have reviewed your proposal for the recruitment of two experts for three months each starting on 1 April 1985 to produce a draft project document by May 31 and a final version by June 30. While the timing appears a little long, we realize that extensive discussions/consultations will be required and are therefore prepared in principle to agree to it.

On the question of the project extension, while not wishing to make any commitment on the follow-up project at this stage, we are prepared, providing we can support the proposal, to agree to a two-year extension starting on 1 July 1985. Likewise, if we find the follow-up proposal acceptable, we will support your suggestion of having two PPU's in the Region, one located in Dhaka and one in Bangkok. To link in with the new phase of the project, the contracts of Mr. Kozel and Mr. Hebert will be extended from 31 May to 30 June 1985.

/...

Mr. Michael Cohen  
Chief, Operations Support and  
Research Division  
Water Supply and Urban  
Development Department  
The World Bank  
1818 H Street, N.W.  
Washington, D.C. 20433



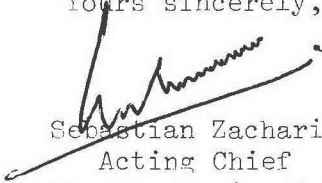
- 2 -

Since a follow-up phase of the project will have modified objectives, different staff and location, we propose that this project terminate as of 30 June 1985, and would therefore appreciate your requesting Mr. Kozel to prepare a terminal report.

A revision to the project document reflecting the amendments outlined above reflecting an additional \$100,000 in the UNDP 1985 contribution to the project should be submitted to us as soon as possible.

We look forward to seeing Mr. Middleton and his team on 14 March.

Yours sincerely,



Sebastian Zacharia  
Acting Chief

Division for the Regional Programme  
Regional Bureau for Asia and the Pacific

UDENRIGSMINISTERIET

DANIDA

Afdelingen for internationalt udviklingssamarbejde  
Danish International Development Agency

Mr. Michael Cohen  
Chief, Operation Support and Research  
Water and Urban Development Department  
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Boris puts this on  
cc: Jørgensen  
summary  
P4/1

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bilag    Kontor D.6.    J. nr. 104.Sri Lanka    Dato 7 March 1985

Kontorbetegnelse bedes ved besvarelse anført på kuverten.

Dear Mr. Cohen,

Please refer to your telex of 15 November 1984 concerning the participation of Mr. Jaroslav Kozel, Investment Projects Adviser of UNDP RAS/81/001, in the review of the Danida-assisted water supply and sanitation project in Sri Lanka. Mr. Kozel's participation in the review proved to be extremely useful and beneficial, and we are grateful to you for making it possible.

With respect to the question of sponsoring Sri Lankan participants in project preparation seminars and study tours in the region it has been decided to allocate US\$ 15,000 of the contingency funds of the Danida project for this purpose. These funds would be administered by Mr. Torben Iskjær, the Danida adviser to the project in Colombo, in cooperation with the RAS/81/001 office, and we have asked Mr. Iskjær to discuss the details of this arrangement with Mr. Kozel.

Yours sincerely,

Ms. Birte Poulsen  
Deputy Head of Division

cc. Mr. Jaroslav Kozel, P.O. Box 1761, Colombo, Sri Lanka.

- Mr. Torben Iskjær, 61/6 Dharmapala Mawatha, Colombo 7, Sri Lanka.

**The World Bank**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

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*RAM*

*Please send  
cc to Cohen, Gross*

*Also send  
cc to*

February 25, 1985

*Parlato  
Country*

*R2/26*

Mr. Roy D. Morey  
Chief, Division for the Regional Programme  
Regional Bureau for Asia and the Pacific  
United Nations Development Programme  
One United Nations Plaza  
New York, N.Y. 10017

Dear Mr. Morey:

RAS/81/001 - Preparation of Water and Sanitation  
Investment Projects

We have completed our review of the Evaluation Mission Report on the above-mentioned project. We set out below our observations on the report, in particular its proposals for a new approach to the PPU activities, and our proposals for preparation of the project document for the extension phase.

Mission Evaluation Report

We agree with the broad conclusions and recommendations in the Report.

The evaluation mission did not visit China, and we note that no mention is made of potential PPU actions there. Although the PPU had few activities in China during its first phase (mainly training carried out by Mr. Hebert's team), we see great potential for a substantial increase in investments and donor interest in the sector in China, and expect PPU to play a significant role in the future.

We support the view that PPU activities should be concentrated in the most promising countries. We therefore see the need for considerable ground work involving visits to and discussions with governments of selected countries during the preparation of the extension phase project document to ensure that the priorities of both participating countries and donors are reflected.

Revised Approach

In the light of the report's conclusions and recommendations, some changes in approach to PPU activities will be required. Within the broad framework of its activities, we expect to emphasize the following:

- (a) future activities will be concentrated in selected countries and will be based on well-formulated sector development and investment strategies. Where such strategies do not exist or are inappropriate, the PPU will give priority to their preparation or revision;
- (b) To make best use of the limited resources available to the PPU, and the calibre of staff we propose, the PPU will be elevated to the role of a sector adviser and a broker between donors and governments ensuring cost-effective coordination in both technical assistance and investment project preparation and implementation, with a reduced direct involvement in project preparation and training;

Extension of Present Project

As recommended in the Report, the present project should be extended to June 30, 1985 to cover two specific items.

Firstly, it is necessary to extend the presence of Messrs. Kozel and Hebert in the field until they can complete their existing commitments. As you are aware, the latest budget rephase makes funds available to meet the expenses of these two professionals only up to May 30, 1985; hence, additional funds for two man-months are required.

Secondly, funding for six man-months of staff time, including mission travel, is required for preparation of the extension phase, including discussions with governments and donor agencies. For the reasons discussed below, we consider that it would be most effective to divide the PPU during this next phase, basing one person in Bangladesh and another in Thailand. We also consider it essential that the establishment of the second phase be done by the people who will later be responsible for its execution, ensuring from its commencement that the advisers are fully aware of governments' and donors concerns in the sector and have also established effective working relationships with their future counterparts. We therefore propose that this preparatory work be undertaken by two senior Bank staff, who have been identified as the potential field staff for the extension phase; they would each work on the preparatory phase for a period of three months, starting April 1, 1985, with the objective of producing a draft project document by May 31 and a final

version by June 30th. During this period they would travel to selected countries for discussions with government, and would also visit donor headquarters and field offices.

Additional funding required for 8 man-months plus travel referred to above is about US\$100,000; once we receive your approval in principle to the proposals outlined above we will prepare a detailed budget revision for this extension.

#### Extension Phase of Project

Your covering letter indicates the extension phase of the project as 1 1/2 years. Given the long planning cycle of most donor agencies, we believe that a 1 1/2 year period would be inadequate to meet a targetted work program. We therefore propose a two-year extension phase starting July 1, 1985.

The report also suggests that the important training and technical assistance functions currently being carried out by Mr. Hebert from the Manila office should be continued, although not necessarily under the PPU umbrella. We agree with this conclusion, and have asked Mr. Hebert to prepare a draft proposal for extension of his work (probably involving him as a short-term consultant in support of the national experts whom he has trained); when his proposal is received we will both be able to assess whether it belongs more appropriately under the PPU project or whether it should be funded separately.

#### Location of PPU

We have given careful consideration to the optimal location of the PPU staff. There appear to us to be two major groups of countries where the PPU could make a major contribution. In South Asia, the priority country must be Bangladesh, where there is the potential for a very substantial investment program in the sector if the efforts of the various donors can be more effectively linked; at the same time, we should continue to build upon the groundwork in the first phase of PPU operations in Sri Lanka and Nepal (and, to a lesser extent, Burma), and be ready to initiate work in India. In these countries, there is also the possibility of establishing close operational links with our other Decade projects (sanitation projects, through TAG, the handpumps project and, most recently, the training and dissemination network). Operationally, the best location for a PPU to serve South Asia would be Dhaka.

In East Asia and the Pacific the priority countries are China, Thailand and Indonesia (with some relatively minor support to operations already launched in Malaysia under the first phase), and these could not readily be served by a Dhaka-based unit (nor, conversely, could a unit in Bangkok provide adequate support to the sector in South Asia). We have



February 25, 1985

therefore concluded that the correct strategy would be to divide the PPU into two units, one on Dhaka and one in Bangkok; although this would sacrifice the advantages of a larger team, we are sure that it is the best way to respond to the demands placed on the project by its large geographical coverage. Moreover, if in the next phase the PPU follows the examples of our other projects (notably TAG) in seeking to mobilize reinforcements from other donor agencies, each of these PPU offices could grow to form a team, managing a network of country-level PPU advisers.

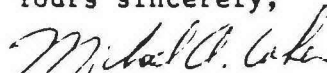
This decision to divide the PPU has important implications for staffing since each office would have to act independently, with each adviser having regional responsibilities. We therefore propose that the PPU be staffed by two senior Bank project officers, each with a number of years experience in the region where he would be based.

Summary

- (a) We accept the broad conclusions and recommendations in the Report. We recognize that a new approach for the PPU involving less direct involvement in project preparation and training and more emphasis on sector advice and brokerage, will be required for extension phase activities in selected countries with high potential.
- (b) For maximum impact, the two professionals for the extension phase should be located in Dhaka and Bangkok.
- (c) the present project should be extended to include 2 man-months total for Messrs. Kozel and Hebert (May 31 to June 30, 1985) and six man-months funding for two professionals (April 1 to June 30, 1985) to prepare the project document for the PPU extension phase; this is estimated to cost a total of about US\$100,000. In parallel, Mr. Hebert will prepare proposals for continuation of the technical assistance provided by his team.
- (d) Two professionals (Bank staff) have been identified and are willing to undertake the project document preparation and subsequently to join the PPU. By June 30, 1985 they will prepare a draft project document for the extension phase for your consideration. We propose their posting for a period of 2 years, in the first instance, to commence on July 1, 1985.

We look forward to receiving your comments on the above proposals.

Yours sincerely,



Michael Cohen, Chief

Operations Support and Research Division  
Water Supply and Urban Development Department

Cleared with and cc: Ms. Trask (ASPED)

Messrs. Sandstrom (ASPUW); Ahmad (AEPWU); Middleton (WUD)

cc: Messrs. Potashnick, UNDP, New York; Howlett (AEPFA)

ROUTING SLIP		DATE: October 23, 1984
NAME		ROOM NO.
Messrs. Sandstrom, Sud, Middleton		
Awaiting for the last page from RBAP		
APPROPRIATE DISPOSITION	NOTE AND RETURN	
APPROVAL	NOTE AND SEND ON	
CLEARANCE	PER OUR CONVERSATION	
COMMENT	PER YOUR REQUEST	
FOR ACTION	PREPARE REPLY	
INFORMATION	RECOMMENDATION	
INITIAL	SIGNATURE	
NOTE AND FILE	URGENT	
REMARKS:		
<p>The TOR for the RAS evaluation mission, just arrived from New York by Fax. Leueen Miller considers them to be "final," but reluctantly agreed to consider any "small" changes we might want to propose. I suggest we consider them at our 2:30 meeting on Wednesday.</p>		
FROM:	ROOM NO.:	EXTENSION:
Bruce Gross	N-838	61472

UNITED NATIONS  
DEVELOPMENT PROGRAMME



PROGRAMME DES NATIONS UNIES  
POUR LE DEVELOPPEMENT

ONE UNITED NATIONS PLAZA  
NEW YORK, N.Y. 10017

TELEPHONE: 969-3488

CABLE ADDRESS: UNDEVPAD • NEW YORK

REFERENCE: RAS/81/001

OCT 23 1984

Dear Mr. Gross,

Subject: RAS/81/001 - Preparation of Water and Sanitation  
Projects

.....

Please find attached two copies of the Terms of Reference for  
the forthcoming Evaluation Mission on the above-mentioned project.

With best wishes.

Yours sincerely,

Roy D. Morey, Chief  
Division for the Regional Programme  
Regional Bureau for Asia and the Pacific

Mr. Bruce Gross  
WUD  
The World Bank  
1818 H Street, N.W.  
Washington, D.C. 20433

**Mission Terms of Reference for a Joint UNDP/World Bank/WHO Evaluation Mission  
on RAS/81/001 Preparation of Water and Sanitation Projects, and  
RAS/81/024 Cooperative Action for the International Drinking Water Supply  
and Sanitation Decade (IDWSSD) Activities**

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In line with the goals of the International Drinking Water Supply and Sanitation Decade (IDWSSD), UNDP provided assistance to two major regional efforts directed at improving water supply and sanitation facilities in a number of participating countries in Asia and Pacific in its Third Cycle (1982-86) Intercountry Programme. While both projects share the same long-term development objectives, their approach to achieving these objectives is quite different and therefore, the project's immediate objectives are quite dissimilar. The last tripartite review meetings on both projects recommended the extension of both projects involving additional UNDP inputs over and above the regional allocation established for the projects by Governments at the start of the 1982-86 Intercountry Programme Cycle. In light of the linkage and collaboration that should exist between both projects, both at the national as well as the regional levels, UNDP, in agreement with the Executing Agencies concerned (World Bank and WHO), agreed to have a joint evaluation of both projects in order to determine whether and how both projects should be extended, the appropriateness of extending either or both projects to cover additional countries, and to assess the quality and timeliness of both projects' inputs, activities and outputs and their overall impact to date, in terms of IDWSSD goals.

**Scope and Purposes of the Review**

The primary purposes of the review are:

- a. to evaluate the project in order to determine how adequately their immediate objectives are being attained and how effectively they have been or are likely to be in helping participating Governments achieve their objectives for expanding and improving future supply and sanitation facilities for the urban and rural populations in the participating countries concerned;
- b. to identify the factors which may have facilitated or hindered the achievements of the projects' immediate purposes and ultimate objectives; and
- c. to make specific recommendations, if warranted, for future actions, including suggestions for timely measures, if necessary, to improve the effectiveness of both projects. In determining the above, the Mission should examine:
  - (i) the design of the project: Is it well conceived? Are its objectives, outputs explicit and precise?
  - (ii) linkages: Are linkages, inputs, activities and outputs logical?
  - (iii) outputs: Are inputs commensurate with desired outputs?

-2-

**(iv) Governments' involvement:**

- (a) What provisions have Governments made in their national budgets for following up on project activities?
- (b) Can any Government's financial provision be identified as resulting from one or other of the projects under evaluation?
- (c) What, if any, international financial assistance to meeting Decade goals in countries concerned, can be identified as resulting from one or other of the projects under evaluation?

In carrying out the evaluation, the Mission will visit the following participating countries: Thailand, Nepal, Philippines and Sri Lanka. In carrying out their analysis of the project during these field visits, the Mission should incorporate the outcome of discussions with the following in formulating their conclusions and recommendations on the projects: Government officials concerned both in the sectoral ministries concerned as well as the ministries responsible for planning and financing; institutions as well as development agencies involved with the projects; representatives of communities (urban and rural) who should ultimately benefit from the project; local consultants who have/will be engaged to carry out activities resulting from the projects; representatives of banking/financing institutions; UN Agencies (i.e., UNICEF), bilaterals and NGOs active in Decade activities.

The Terms of Reference for the two projects are divided into three categories:

- Category I - dealing with the evaluation of the performance of each project;
- Category II - dealing with the coordination/collaboration between the two projects;
- Category III - focussing on the joint contribution of both projects towards the meeting of the region's IDWSSD goals.

**Composition of the Mission**

The Evaluation Mission will be composed of the following:

Mr. Jim Berna, UNDP Consultant and Team Leader;  
 Mr. Brian Grover, World Bank Consultant; and  
Mr. Vincent Witt, WHO Consultant.

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Consultations in the Field

Following briefings in Washington and New York, the Mission will proceed to New Delhi for consultations with the office of the UNDP Resident Representative and the WHO SEARO Office. The Mission will then proceed for country visits to Nepal, Philippines, Thailand, and Sri Lanka. In all countries, the Mission will maintain close liaison with the UNDP Resident Representatives, the Government Cooperating Agencies, Agency personnel concerned, any counterpart staff associated with the projects, and staff assigned to the projects in the field. Debriefing of the Mission will take place in Colombo, Sri Lanka and UNDP New York. The debriefing session will also be attended by representatives from the UNDP PPR Office in New Delhi and the WHO SEARO Office. Although the Mission may discuss all matters relating to its assignment with the authorities concerned, it is not authorized to make any commitments on behalf of the UNDP, World Bank, or WHO.

Mission Schedule

Prior to its departure, the Mission shall familiarize itself with the background materials available for all projects, including project documents, progress and mission reports, work plans and tripartite review reports. These documents will be made available to the members of the Mission in advance of the Mission's departure. The proposed schedule of the Mission is as follows:

New York	2 November	Briefing by UNDP/RBAP
New Delhi	4- 7 November	Briefing by UNDP and WHO Searo
Kathmandu	7-11 November	Country Visit
Bangkok	11-16 November	Country Visit
Manila	16-22 November	Country Visit and Consultations with WPRO
Colombo	22 November - 4 December	Country Visit plus Debriefing and Finalization of Report
New York	5- 6 December	Debriefing by UNDP Consultant

Report of the Mission

Prior to debriefing of the Mission, the Mission shall finalize its report in Colombo, Sri Lanka, according to the general outline attached in Annex I to these Terms of Reference. The UNDP Consultant will have responsibility for coordinating the inputs of the Agency Consultants and for finalizing the Report. In Colombo, the Mission Report will be reviewed by the Resident Representatives responsible for both projects as well as Agency staff concerned with the project and, if deemed appropriate, Government officials. The finalized report will be submitted to UNDP New York by the UNDP Consultant for reproduction and onward transmission to the participating Governments, World Bank and WHO.

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-4-

Category I

Preparation of Water and Sanitation Projects (World Bank). The long-term objective of this regional project is to assist participating Governments prepare water supply and sanitation projects for financing. Full time project staff members are located in Colombo, Sri Lanka in the RAS/81/001 Project Preparation Units Office, and in Manila, Philippines. The project was fully approved in 1982 following which the two investment project advisors were posted in Colombo and the PPU Office was established. A tripartite review of the project was held in July 1983 as a result of which based on the meeting recommendations, the project was extended through 1984 and a third advisor post (based in Manila) was approved beginning in 1984. The Tripartite Review also recommended that the extension of the project beyond 1984 await the outcome of an evaluation meeting. These terms of reference are, for the Evaluation Mission, constituted as a result of the recommendation of the IPR meeting for a project extension based on the insufficient duration of the project as originally designed, for the purpose of achieving the project's objectives.

In carrying out this evaluation of the RAS/81/001 project, the Mission shall in part:

- (a) determine the number of Decade-related projects in the countries visited which have received financial support during the period under review (1982-84):
  - i) for how many proposals and for what amounts has this project directly attracted national or international financing;
  - ii) for how many proposals and for what amounts has this project indirectly led to national or international financing;
  - iii) how many projects and what amounts has it developed, for which financing is still being sought.
- (b) consider the range of activities in which the project staff had been involved, e.g., training of national staff, assistance in the identification of investment projects, and the preparation of pre-feasibility and feasibility reports in relation to the following:
  - objectives and activities as expressed in the project document and the tripartite review report;
  - needs of the participating Governments;
  - resources available to the project;
  - staffing patterns and use of consultants.

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-5-

## (c) assess the extent to which:

- the outputs of the project to date reflect the expectations of the participating Governments and the documents guiding the implementation of the project;
- the outputs of the project have led to or are suitable for external donor support; identify and provide details;
- participating Governments have supported the project efforts through provision of counterpart staff or other in-kind contribution and through modification of long-range sector plans as a result of the project's intervention; specify and provide details.

## (d) recommend, on the basis of the above and the resources which can realistically be expected in the future:

- whether the project extension is warranted;
- what form it should take; and
- whether any changes should be made in the project's future objectives, activities and outputs.

RAS/81/024 - Coordinative Action for the International Drinking Water Supply and Sanitation Decade (IDWSSD) Activities (WHO).

1. The development objectives of the WHO-executed IDWSSD Advisory Services project are designed to improve the capability of countries in the Asia and Pacific region to plan for safe drinking water supplies and basic sanitation facilities for their rural and urban population. The project's immediate objectives are:

- (a) to develop, in cooperation with participating Governments, guidelines, criteria, and procedures for planning and implementing appropriate water supply and sanitation projects and programmes in accordance with the community approach (i.e., primary health care) and based on an evaluation of experiences gained in selected problem areas;
- (b) to strengthen participating institutions through technical cooperation, in undertaking these studies in selected problem areas participating in group training experiences and networking with other institutions.

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-6-

2. The project started in June 1982. The UNDP contribution over the years 1982-86 is \$986,918. The project is managed by the WHO SEARO Office in New Delhi. The UNDP contribution covers the cost of expert services, sub-contracting of case studies to national and regional institutions, and training. The project is aimed at reaching sub-contractors and Government officials concerned with Decade goals as well as representatives of communities and institutions involved in improving water supply and sanitation facilities.

3. A tripartite review of the project was held in March 1984 and supported a proposal that additional request to countries for active participation in project activities be considered appropriate, subject to the availability of funds. Also recommended, pending an evaluation of the project, was that a six-month extension of the long-term expert be approved. This has been done.

4. In carrying out the evaluation of RAS/81/024, the Mission shall in part, assess the progress achieved in relation to immediate objectives of the project as planned. In consultation with the Government officials concerned, local community leaders and appropriate institutions, the Mission will:

- establish a yardstick for the purpose of determining how the Mission can evaluate the extent to which the project has achieved its long and immediate-term objectives. Provide specific details on how this has been done. From the yardstick:
  - ( i ) determine if and how the project has contributed to the improvement of water supplies and sanitation facilities, and what impact on the above the project has had;
  - ( ii ) how many have been trained under the project and how are those trained being used;
  - (iii) what is the outcome of the completed case studies?
  - ( iv ) are the results of the case studies being used and how: by the institutions who have done them? at the national level? by other countries? by WHO?
- analyze the nature, scope and extent to which the findings of these studies may contribute to improving national planning capabilities in accordance with primary health care approaches.
- also assess potential for continued net working by the participating institutions in preparing the guidelines and thereafter, in inter-acting on follow-up ICDC activities.
- also examine how far the participating institutions are collaborating with national action committees or equivalent bodies concerned with the Decade.

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**Draft Outline for Report of the Evaluation Mission**

Summary of Findings and Recommendations

Introduction

Part I: Evaluation of the Project

- A. Formulation of the Project.
  - 1. Project Purposes and Ultimate Objectives
  - 2. Design of the Project
  - 3. Analysis of Project Design in terms of Its Purposes and Objectives
- B. Implementation of the Project.
  - 1. Plan of Operation
  - 2. UNDP/Agency Inputs and Their Utilization
  - 3. Counterpart Contributions
  - 4. Implementation of Activities
- C. Project Achievements and Use of Outputs
  - 1. Project Achievements and Outputs
  - 2. Contribution of Achievement of Purposes and Objectives
  - 3. Use of Outputs by Governments and Donors

Part II: Findings and Recommendations

- A. Findings
- B. Recommendations

Annexes

- 1. Terms of Reference of the Mission

October 17, 1984

Mr. Brian P. Grover  
R.L. Walker & Partners Ltd.  
65 Bank Street  
Ottawa, L1P 5K4  
Canada

Dear Brian,

Re: Evaluation of RAS/81/001

Enclosed as background information on the RAS/81/001 project are the following documents:


- The signed project document.
- The current budget.
- A complete set of UNDP progress reports.
- The report of the July 1983 tripartite review.

We are currently in the process of obtaining the visas for the countries to be visited by the mission. We have also, for your information, enclosed a copy of our travel request which shows the flights selected by UNDP New York for the times the mission will be traveling together, as well as the others when you will be traveling alone.

I will be in touch with you next week to confirm arrangements for the briefing on Monday, October 29. I spoke with Mr. Berns and he is also planning to come to Washington on that day to meet with us.

Please let us know if you have any questions.

Yours sincerely,

  
Bruce Gross  
Technical Assistance Officer  
Water Supply and Urban  
Development Department

cc: Messrs. Sandstrom (ASPUW); Sud (AEPUW); Middleton (WUD)

BGross/pd

October 15, 1984

Ms. Leueen Miller  
Regional Programme Officer  
Division for the Regional Programme  
Regional Bureau for Asia and the Pacific  
1 United Nations Plaza, Room DC1-2310  
New York, NY 10017

Dear Ms. Miller,

Re: RAS/81/001 Progress Report

We are pleased to enclose four copies of the current progress report for RAS/81/001. Although this report covers project activities only through June 1984, it will provide you and the members of the RAS/81/001 evaluation mission with an almost current status report on the project. We will provide any major changes in status since June to Messrs. Grover and Berna in our briefings now planned in Washington on October 29; and Messrs. Kozal and Hebert will also be able to do the same when they meet with the full mission in November.

Please let me know if you have any questions.

Yours sincerely,

Michael A. Cohen, Chief  
Operations Support and Research Div.  
Water Supply and Urban Development Dept.

Enclosures

cc with attachment: Messrs. Sandstrom (ASPUW); Sud (AEPW); Middleton (WUD);  
Skytta, Owusu (RAF/82/004); Ms. Trask (ASPED)

  
BGross/pd

cc: Messrs. Kozal, Hebert (RAS/81/001)

**The World Bank**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street, N.W.  
Washington, D.C. 20433  
U.S.A.

(202) 477-1234  
Cable Address: INTBAFRAD  
Cable Address: INDEVAS

October 9, 1984

Mr. Eric R. Loken  
Project Manager  
United States Agency for International Development (USAID)  
44 Galle Road  
Colombo 3  
Sri Lanka

Dear Mr. Loken:

Thank you very much for your kind letter of August 7, 1984, bringing to our attention the cooperation and assistance provided to you by Mr. Jaroslav Kozel. We are aware of the keen interest and dedication exercised by you and your colleagues in developing the USAID financed project to assist in strengthening the National Water Supply and Drainage Board (NWSDB). Along with you, we too are pleased that Mr. Kozel was able to assist you and complement your efforts. It is rewarding for us to know that Mr. Kozel's general work in the sector in Sri Lanka as a UNDP Investments Project Advisor has been directly beneficial to the formulation of your project. We hope that this experience will be an example for future close cooperation and coordination between our institutions in Sri Lanka and elsewhere.

We understand that the Government of Sri Lanka has recently approved your project. Congratulations! We are in full agreement with your perception that the efforts under way through our ongoing projects should lead to significant institutional, financial and operational improvements in the NWSDB and the sector as a whole. We wish to reassure you that the close cooperation which has now been initiated by you, Mr. Kozel and Mr. Gautam Sengupta will continue to receive full support from us. In this regard, we will soon begin to explore with the Government of Sri Lanka, NWSDB and you, the exact scope and timing of the next Bank financed project in the sector in Sri Lanka. We believe that the findings and recommendations in your Project Design Report and the Bank's Water Sector Study provide an excellent basis for designing a future program of appropriate investments to complement the institutional and financial initiatives now being taken.

Thank you again for your encouraging letter. I look forward to meeting you during my next visit to Colombo.

Sincerely,



Sven Sandstrom  
Chief, Urban and Water Supply Division  
South Asia Projects Department

cc: Mr. Jaroslav Kozel, UNDP/PPU, Colombo  
Mr. Nigel Bradshaw, UNDP, Deputy Resident Representative  
Mr. Ted Hawkins, Resident Representative, IBRD, Colombo  
Dr. John Austin, USAID, Washington, D.C.

cc (with copy of incoming):  
Messrs. Costa, Cohen, Middleton, Gross (WUD);  
Tsantis, Ahmed (ASA); Hall (ASPUW).



G. Sengupta:erm

The World Bank/UNDP-RAS/81/001  
Regional Asia Project Preparation Unit

→ BG  
COC for info  
Rg/c

Our Ref: 123/15.3

August 27, 1984

Director of Telecommunications,  
Department of Telecommunications,  
Colombo.

CONFIDENTIAL

**DECLASSIFIED**

**MAY 18 2016**

**WBG ARCHIVES**

Dear Sir:

Telephone 548777

In continuation to our letter dated July 18, 1984, we wish to inform you that our direct line was again used in May, 1984 for international calls to Italy and Saudi Arabia without our authorization. We suspect that your employees might be involved and on that basis we have brought the case to the attention of the Colombo Fraud Investigation Bureau. Copy of our complaint is attached for your information. We would appreciate your assistance in this matter in order to stop these unauthorised calls as soon as possible.

While we continue payments for all our calls, the outstanding arrears for illegal overseas calls amounted, upto May, 1984 to Rs. 24,490 and may reach about Rs. 50,000 after bills for June through August 1984 are available. We would like to ask you to ensure that our line is not disconnected for non-payment of such arrears until the investigation is completed.

Sincerely yours,

Jaroslav Kozel,  
Investment Projects Advisor

Attachments:

cc: The Officer-in-Charge, Colombo Fraud Investigation Bureau (Unit 4) -  
Copy of letter dated July 18, 1984 is attached)

Maintenance Engineer, People's Bank Headquarters

Asst. Traffic Officer, Dept. of Telecommunications.

Postal address:  
P. O. Box 1761  
Colombo  
Sri Lanka

Street address:  
4th floor,  
People's Bank Head Office Building  
Sir Chittampalam A. Gardiner Mawatha  
Colombo 2

Telephone:  
548777  
27841 Ext. 390

Telex:  
21410 INDEVAS CE

RECEIVED

1984 SEP -5 PM 1: 22

INCOMING MAIL UNIT

WBC ARCHIVE?  
MAY 18 2018  
DECLASSIFIED



My name is Jaroslav Kozel (54 yrs), my residential address is 23/9, Horton Place, Colombo 7. I am an employee of the World Bank for which I have been managing a UNDP/World Bank Project in Sri Lanka for the last two and a half years. My office is located on the fourth floor of the People's Bank Headquarters Building, Sir Chittampalam Gardiner Mawatha, Colombo. My complaint concerns the unauthorised use of our office telephone line by unknown person(s).

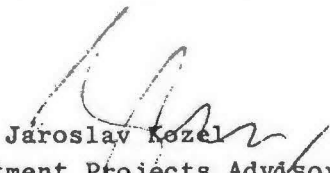
In the office we have a direct line No. 548777 for which the Telecommunications Department has given an international calling facility with effect from June 1982. Starting from March 1984 we have been billed every month for international calls which were not made by our office. List of such calls and amounts involved is attached.

We have suspected that our direct connection may be used by someone along the line before the exchange, since we observed that sometimes during the day our telephone becomes dead for periods of upto one hour. This happened on August 23, 1984 at about 3.00 p.m. and again at about 5.30 p.m. At the latter time, I wanted to check with the People's Bank operator and visited Operator's Room. I found there two men who were identified with the help of the People's Bank Security Officer (Mr E.A.T. Pathmasiri) as Mr Leo Wijasooriya and Mr M. Alahakoone, both, reported to be employees of the Telecommunications Department. Both these men behaved suspiciously when I entered the room. Mr Alahakoone was speaking on the phone. When Mr Wijasooriya saw me, he immediately disconnected a set of wires leading to the phone without any explanation, although Mr Alahakoone protested, since he had not seen me enter the room.

From what I have seen, I conclude that the wire of our telephone can be easily disconnected, then reconnected to other telephone apparatus located in the Operator's Room and used for calls. These are later charged to our telephone number as if these were made from our office.

We do not intend to pay for such calls, cost of which we now estimate at about Rs.50,000. These were made without our knowledge and consent. We would appreciate police investigation of this illegal use of our telephone. We would also like to receive a report on the findings so that we can present it to the Telecommunications Department to support our refusal to pay for these calls.

August 24, 1984

  
Jaroslav Kozel  
Investment Projects Advisor,  
World Bank

Attachments: List of calls made  
Copies of telephone bills

cc: Mr. G. Sengupta  
Gross  
Golladay

UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
44, Galle Road, Colombo 3, Sri Lanka.

~~Bob~~  
Sven O/R  
Rantala ORK

Mr. Sven Sandstrom  
Chief, Urban & Water Supply Division  
South Asia Projects Department  
The World Bank  
1818 H Street, N.W.  
Washington, D.C. 20433  
U.S.A.

Reference No. 0/84/ 881  
Date Dispatched August 7-1984

Dear Sandstrom:


I am writing to express our appreciation for the excellent assistance and cooperation afforded by us by Mr. Jaroslav Kozel, current UNDP South Asia Investments Promotion Advisor in Colombo, Sri Lanka. As you are aware, we are just completing development of a major new bilateral water supply and sanitation project with the GSL National Water Supply and Drainage Board. Throughout the entire project development process, Mr. Kozel has given freely of both his time and insight to ensure that the final design was most appropriate for the local context. Much of his investments identification research work provided us and our advisors with timely, useful background information which was critical to properly understanding the current Sri Lankan situation. In addition, several in-depth discussions with Mr. Kozel during the course of project design resulted in his having substantial input into several key areas of the final project document. As a result of his input, I feel it is a much improved project document. I, therefore, wish to express my appreciation for Mr. Kozel's assistance and trust that it will be duly noted. I hope that Mr. Kozel's same high calibre of work and cooperative attitude will be maintained by his eventual replacement here in Colombo.

The project itself is now in the final editing stages here at the Mission and in the final stages of the GSL project approval process. If all goes well, we hope to sign the agreement in late August. I will be giving your representative, Mr. G. Sengupta, a copy of the latest draft to bring back to Washington. I hope you will take the time to examine it. I believe it represents a comprehensive step towards addressing some of the more critical sectoral issues in Sri Lanka. As discussed at our last meeting here in Colombo, it is designed with future Bank/USAID collaboration in mind, in keeping with our respective political perspectives and operational constraints. I will be discussing my thoughts on this subject in detail with Mr. Sengupta during his current visit. I feel together we can have a tremendous beneficial impact in this area of Sri Lanka's

Received  
Assigned to  
Sengupta by:  
Date:

development; a belief which has to date received great support from concerned  
GSL officials. I shall look forward to your comments on this subject, and to  
our continued collaboration in the future.

Yours truly,



Eric R. Loken  
Project Manager

c.c. Mr. Jaroslav Kozel, UNDP Investments Promotion Advisor  
Mr. Nigel Bradshaw, UNDP Deputy Resident Representative

UNITED NATIONS  
DEVELOPMENT PROGRAMME



PROGRAMME DES NATIONS UNIES  
POUR LE DEVELOPPEMENT

ONE UNITED NATIONS PLAZA  
NEW YORK, N.Y. 10017

TELEPHONE: 906-5000

CABLE ADDRESS: UNDEVPRO • NEW YORK

REFERENCE: RAS/81/001  
RAS/81/024

AUG 15 1984

Dear Mr. Middleton,

Subject: RAS/81/001 - Water Supply and Sanitation  
Evaluation Mission

Thank you for your letter dated 10 August 1984 and for the draft Terms of Reference for the above-mentioned project.

We are in communication with WHO on the evaluation of RAS/81/024 Assistance to IDWSSD and on the timing of the proposed joint mission.

We have taken note of Mr. Grover's availability in late October/November. We would appreciate your sending us a copy of his C.V. as soon as possible. Once we have an agreement from WHO on the timing of the mission, we will have to ascertain the willingness of Governments to accept the mission during the proposed period.

Bruce  
M. D.  
R924

In the meantime, we are reviewing the draft TOR you sent us for the Bank project and will revert to you as soon as possible.

Yours sincerely,

A handwritten signature in cursive script that reads "Leueen Miller".

Leueen Miller  
Regional Programme Officer  
Division for the Regional Programme  
Regional Bureau for Asia and the Pacific

Mr. Richard N. Middleton  
Project Manager  
UNDP INT/81/047  
Technology Advisory Group  
The World Bank  
1818 H Street, N.W.  
Washington, D.C. 20433

9/4

*J. H. Diddens, Economist*

*B. P. Grover, P Eng*

*J. B. Kirch, P Eng*

*M. C. Swales, P Eng*

*R. L. Walker, P Eng*

**R. L. WALKER & PARTNERS LTD.**

**CONSULTING ENGINEERS AND ECONOMISTS**

65 Bank Street  
Ottawa, K1P 5K4  
Canada

Tel. (613) 232-3745/6

Cables: ECENG

August 24, 1984

Mr. Bruce Gross  
Water Supply & Urban Development Department  
Room N 838  
The World Bank  
1818 H St. NW  
Washington D.C.  
USA 20043

Dear Mr. Gross:

Enclosed as requested is my CV. I look forward to receiving further information concerning my possible participation in the evaluation of project preparation activities sponsored by the UNDP in Asia.

Yours truly,



Brian Grover

August 10, 1984

Ms. Leueen Miller  
Regional Programme Officer  
Division for the Regional Programme  
Regional Bureau for Asia and the Pacific  
One United Nations Plaza  
New York, NY 10017

Dear Ms. Miller,

Re: UNDP Project RAS/81/001 Evaluation Mission

Further to our letter of June 13, 1984, and your recent discussions with Mr. Bruce Cross, I am enclosing an initial draft of terms of reference for the RAS/81/001 evaluation mission.

You will note that the draft closely follows UNDP's guidelines for evaluation mission terms of reference, adapted to fit the particular project. We have not, because of the absence of key staff familiar with the project, discussed this draft with the Bank's Regional Divisions, but will do so later and transmit any further suggestions to you. You no doubt will have to revise the terms of reference substantially in order to accommodate your plans to undertake a combined evaluation of WHO's and our regional projects.

We have, as you suggested, telephoned Brian Grover of R.L. Walker and Associates in Ottawa, our first choice for a consultant to the evaluation mission. Mr. Grover expressed a firm interest in participating and his schedule would permit him to join a mission timed for late October or November. We did not make a commitment to him at this time, but would like to confirm his participation as soon as tentative dates have been established.

Please let us know if you have any comments or questions about the enclosed draft. We look forward to receiving, after you have been in contact with WHO, a combined set of terms of reference for our review.

Yours sincerely,

Richard H. Middleton  
Project Manager  
UNDP INT/81/047

cc with attachment: Messrs. Harth, ASPUW; Sud, AEPWU; Ms. Trask, ASPED;  
Cohen, WUD; Kozel, RAS/81/001

**Joint UNDP/World Bank Evaluation Mission on UNDP Project RAS/81/001,  
Preparation of Water and Sanitation Projects**

**Terms of Reference**

Background

1. The long-term objective of this Regional Asia project is to assist participating governments prepare water supply and sanitation projects for financing. Undertaken as part of the International Drinking Water Supply and Sanitation Decade, the project is executed by the World Bank. Full-time project staff members are located in Colombo, Sri Lanka in the RAS/81/001 project preparation unit's office; and in Manila, Philippines.
2. The project began under preparatory assistance in April 1981. Full funding became available in 1982, during which time the two investment projects advisers were posted to Colombo and the PPU office was established. A tripartite review of the project was held in Colombo in July 1983. As a result of the review, the project was extended through 1984 and a third adviser position (based in Manila) was approved beginning in 1984. The tripartite review also recommended that extension of the project beyond 1984 await the outcome of an evaluation mission to be fielded in July-August of 1984. These terms of reference for the evaluation mission constituted as a result of that recommendation.

Scope and Purposes of the Review

3. The primary purposes of the review are the following:
  - (a) to evaluate the project in order to determine how adequately its immediate purposes are being attained and how effective it has been or is likely to be in helping participating Governments to achieve their objectives for increasing investment in water supply and sanitation;
  - (b) to identify the factors which may have facilitated or hindered the achievement of the project's immediate purposes and ultimate objectives; and
  - (c) to make recommendations for future action.
4. In carrying out these overall purposes, the mission shall in particular:
  - (a) consider the range of activities in which the project staff have been involved, e.g., training of national staff, assistance in the identification of investment projects and the preparation of prefeasibility and feasibility reports, in relation to the following:
    - objectives and activities as expressed in the project document and the tripartite review report;
    - needs of the participating governments;
    - resources available to the project; and
    - staffing patterns and use of consultants.



- (b) assess the extent to which:
- the outputs of the project to date reflect the expectations of the participating governments and the documents guiding the implementation of the project;
  - the outputs of the project have led to or been suitable for external donor support; and
  - participating governments have supported the project's efforts through provision of counterpart staff or other in-kind contributions and through modification of long-range sector plans as a result of the project's intervention.
- (c) recommend, on the basis of the above and the resources which can realistically be expected in the future:
- whether any changes should be made in the projects' future objectives, activities, and outputs;
  - whether the current staffing pattern is suitable for future operations or whether some other mix of international and national staff and consultants would be more suitable; and
  - whether the present office location is satisfactory in terms of countries receiving project services, access to cooperating international lateral agencies, and cost-effective transportation.

Composition of the Mission

5. The evaluation mission shall be composed of the following:

(TO BE COMPLETED)

Consultations in the Field

6. The mission shall maintain close liaison with the UNDP Resident Representatives in Sri Lanka, Thailand, Bangladesh and Nepal, the Government cooperating agencies in these countries and any counterpart staff associated with the project, and with the staff assigned to the project in the field. Although the mission may discuss all matters relevant to its assignment with the authorities concerned, it is not authorized to make any commitments on behalf of the UNDP or of the World Bank.

Mission Schedule

7. Prior to its departure, the mission shall familiarize itself with the background materials available on the project, including the project document, progress and mission reports, workplans, and the report of the tripartite review held in 1983. These documents will be made available to each member of the mission by the World Bank in advance of the mission's departure.

8. The proposed schedule of the mission is as follows:

Sri Lanka	3 days	Briefing with PPU staff and evaluation of activities in Sri Lanka.
Thailand	3 days	Evaluation of project activities.
Bangladesh	2 days	Evaluation of project activities.
Nepal	2 days	Evaluation of project activities

Sri Lanka	3 days	Debriefing with PPU staff and report writing.
-----------	--------	---

Assuming two travel days to and from Sri Lanka and one travel day from one country to another, the mission is expected to last about 21 calendar days in total.

Report of the Mission

9. The mission shall prepare its report according to the general outline attached as Annex I to the terms of reference. To the extent possible, the report should be completed in the field, so that any questions raised during the report-writing process may be more readily answered. Production of the final report shall rest with the UNDP, which shall transmit copies to the World Bank and the participating governments.

**Draft Outline for Report of the Evaluation Mission**

Summary of Findings and Recommendations

Introduction

Part I: Evaluation of the Project

- A. Formulation of the Project.
  - 1. Project Purposes and Ultimate Objectives
  - 2. Design of the Project
  - 3. Analysis of Project Design in terms of Its Purposes and Objectives
- B. Implementation of the Project.
  - 1. Plan of Operation
  - 2. UNDP/Agency Inputs and Their Utilization
  - 3. Counterpart Contributions
  - 4. Implementation of Activities
- C. Project Achievements and Use of Outputs
  - 1. Project Achievements and Outputs
  - 2. Contribution of Achievement of Purposes and Objectives
  - 3. Use of Outputs by Governments and Donors

Part II: Findings and Recommendations

- A. Findings
- B. Recommendations

Annexes

- 1. Terms of Reference of the Mission

September 4, 1984

Ms. Leueen Miller  
Regional Programme Officer  
Division for the Regional Programme  
Regional Bureau for Asia and the Pacific  
1 United Nations Plaza  
Room DC1-2310  
New York, NY 10017

Dear Ms. Miller,

Re: RAS/81/001--Preparation of Water and Sanitation Projects

Enclosed, as you requested, is a CV of Mr. Brian Grover, whom we have proposed as a consultant to the RAS/81/001 evaluation mission. We regret the delay in sending you the CV; neither the Bank's personnel department nor we had a current CV on file and we had to request it from Mr. Grover.

Please let me know if you have any questions or comments on Mr. Grover's suitability for the evaluation mission.

Yours sincerely,

Richard W. Middleton  
Project Manager  
UNDP INT/81/047

Enclosure

Bgross/pd



# Record Removal Notice



<b>File Title</b> United Nations Development Program [UNDP] Project RAS/81/001 - Memos / Letters - 1984 / 1985		<b>Barcode No.</b>  30146426		
<b>Document Date</b> N/A	<b>Document Type</b> CV / Resumé			
<b>Correspondents / Participants</b> Brian P. Grover				
<b>Subject / Title</b>				
<b>Exception(s)</b> Personal Information				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.</p> <table border="1"><tr><td><b>Withdrawn by</b> Shiri Alon</td><td><b>Date</b> May 18, 2016</td></tr></table>	<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016
<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016			



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<b>File Title</b> United Nations Development Program [UNDP] Project RAS/81/001 - Memos / Letters - 1984 / 1985		<b>Barcode No.</b>  30146426		
<b>Document Date</b> May 3, 1985	<b>Document Type</b> Attachments: Memorandum; lease agreement			
<b>Correspondents / Participants</b> To: Mr. Bruce Gross (WUDOR) From: Arthur Bruestle (AEP UW)				
<b>Subject / Title</b> UNDP RAS 81/001				
<b>Exception(s)</b> Corporate Administrative Matters				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.</p> <table border="1"><tr><td><b>Withdrawn by</b> Shiri Alon</td><td><b>Date</b> May 18, 2016</td></tr></table>	<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016
<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016			

# OFFICE MEMORANDUM

DATE April 5, 1985

TO Ms. Carmen del Castillo, WUDSR

FROM A. Bruestle, AEPW

EXTENSION 78212

SUBJECT Thailand RAS 81/001

I will be taking over Leif Rosenhall's apartment beginning August 1, 1985, and would also like to take over the furniture there. Would you please arrange for the transfer of the furniture from RPO INT/81/026 to RAS 81/001? Attached is a note from him to me concerning this transfer. I understand that in Bangkok Khun Somphoon, the Administrative Officer of RMB, may also be involved in this. Would you kindly keep him informed in this regard?

Attachment.

cc: Khun Somphoon, Messrs. Rosenhall, RMB  
Arlosoroff (WUDAT); Gross (WUDOR)

ABruestle:ff



Technology Advisory Group

UNDP Interregional Project INT/81/047:

Development and Implementation of Low-cost Sanitation Investment Projects

OFFICE MEMORANDUM

TO: John Courtney  
cc: Messrs. Michael Cohen, Bruce Cross, Bruestle,  
FROM: Godavitarne, Kozel  
Richard N. Middleton  
SUBJECT: Extension of RAS/81/001

DATE March 18, 1985

1. You should already have been fully briefed by the other participants (Messrs. Kozel, Bruestle and Godavitarne) on the very positive discussions we had on March 14th in New York with Ms. Louise Miller (RBAP) on the extension of RAS/81/001. In this memorandum I should like to highlight some matters which are particularly related to UNDP projects procedures and which may not be familiar to the two new staff who will now join the project.

2. RBAP is prepared to finance a preparatory phase lasting 2½-3 months. This is somewhat exceptional, and it is important that the activities during this phase (a) are clearly related to the RAS extension (i.e. that the staff are not working part-time on Bank work) and (b) are predominantly in the field, in consultation with governments and donors. Moreover, the additional RAS/81/001 budget to cover both extension of the Kozel/Hebert field work and the preparatory work by Godavitarne/Bruestle should not exceed \$ 100,000-\$ 110,000. We believe that these conditions can be met by the timetable now agreed. The preparatory phase will start May 1st and will include 6 weeks field work by each staff member (with Mr. Kozel accompanying Mr. Godavitarne for much of his mission), and it will conclude in July 14th with the submission to RBAP of the Project Document for the next phase (July 15th 1985 - July 14th 1987). These dates must be met.

3. Once the new staff are transferred onto the RAS/81/001 Phase II budget they must be operational in the field as soon as possible; it is not acceptable to UNDP to commence implementation using Washington-based staff. For this reason we have agreed to postpone the start date to July 15th, which appears to fit the earliest date that the first staff member (Bruestle) could proceed overseas (August 1st) after allowing 2 weeks' final briefing and consultations in headquarters and RBAP. For personal reasons Mr. Godavitarne will not be able to take up his post on August 1st; however, RBAP have informally assured us that they will raise no objection to this provided that (a) he spends most of August on mission

for the project and (b) that he is in post in Dhaka by September 1st. Again, these conditions are critical and should be complied with.

4. The other issue that requires particular attention is the provision of premises for the project staff. RBAP normally insist on this being a counterpart contribution by the host government, and consider that the Bank, when Executing Agency, does not make sufficient effort to obtain such contributions. Rental of premises will therefore not be funded under the Phase II project. This will not be a problem in Bangladesh, where adequate office accommodation (with good telex, telephone, etc.) is available through the government Master Plan group. However in Bangkok it had been proposed to base Mr. Bruestle in the Bank resident mission. This will only be acceptable if it is rent-free (the project may however pay for all services such as telex, telephone, mail, secretarial assistance and office equipment); if Mr. Bruestle cannot negotiate this then we may need to consider moving the office to another base (a central unit such as DUTWC or NESDB or a sector agency such as PWA, for example).

5. We also need to be certain that the project receives proper endorsement during the preparatory phase. While RBAP has agreed that the formal endorsements received for the Phase I project may be considered still in effect (so a new formal letter need not be sought from every participating country), nevertheless the preparatory missions must return with a comprehensive aide memoire from each country, which clearly sets out the planned objectives and activities of the PPU in its assistance to that country, and the contribution (in terms of in-kind staff inputs, etc.) that the country will make. This aide memoire needs to be cleared with the national sector agencies and with RR UNDP; if possible (and where appropriate in terms of the planned work) it shall also be cleared by other agencies involved (e.g. WHO, UNICEF, bilateral donors). At least two such agreed aide memoires are necessary for each region (S. Asia; East Asia and Pacific) in order to justify the proposed split of the PPU into Bangkok and Dhaka offices. In this connection, China poses a special problem, since China did not endorse the original RAS/B1/001 project; it is therefore of critical importance, during the preparatory phase in China both to secure an endorsement and to agree a project workplan (RBAP is somewhat sceptical of the PPU's ability to make major contributions in Thailand and Indonesia, so the China program is the key to justifying the Bangkok office).

6. We should be scrupulous in observing RBAP's requirements, firstly since RBAP consider that the very comprehensive evaluation has set out the pre-conditions which we should now observe in order to ensure Phase II, and secondly because RBAP is likely to come under some criticism for reducing support to the WHO-executed Decade project while it is simultaneously increasing funding for Bank-executed work, and so it needs to be able to demonstrate full compliance with its normal procedures.

RAS

Technology Advisory Group  
UNDP Interregional Project INT/81/047:  
Development and Implementation of Low-cost Sanitation Investment Projects

Disc: info. M.

OFFICE MEMORANDUM

TO: Mr. M. Cohen (Chief, WUDSR) ✓  
cc: Messrs. Courtney, Hebert, Kozel  
FROM: Richard N. Middleton  
DATE: March 18, 1985  
Ref

SUBJECT: Possible UNDP Project on Improved Planning and Design of Water Supply Systems.  
-----

1. During my meetings with Ms. Loueen Miller (UNDP/RBAP) in New York on March 14th I followed up the recommendation made in the recent evaluation report on RAS/81/001 that the work of Paul Hebert in training and technical assistance in the use of microcomputers for improving the planning and design of water supply systems should be continued, although not necessarily under the RAS/81/001 umbrella.

2. There appears to be a possibility of RBAP supporting a 2-year project involving two principal centres, one LWUA in the Philippines and the other probably in India, to provide support to this work in Philippines, Indonesia, China, Thailand, Burma, Sri Lanka and Bangladesh (all countries already involved in such work). The inclusion of India implies a project separate from RAS/81/001, since India has not endorsed the latter. These regional centres would be backstopped by TAG headquarters staff, shared with the Water Cycle Applied Investigations project already submitted for Norwegian funding in Kenya. An indicative budget in the region of \$ 400,000 for the 2-year period was mentioned to give RBAP a basis for considering the project.

3. On my return from mission I will contact RBAP to learn their reactions to these very preliminary proposals. By that time, I hope we may have had a reaction from Norway to our Kenya proposal, so we may link the two activities and make best use of the other specialised staff concerned. Meanwhile, this memorandum is for your information; no action on your part is needed.

March 1, 1985

Distribution

Richard N. Middleton, Project Manager INT/81/047

61780

RAS/81/001 Evaluation Report

We have now received the annexes to the RAS/81/001 evaluation report. Attached, for your information, is the complete report, including the annexes.

Distribution: Messrs. Sandstrom, Godávitárne (ASPUW); Sud, Bruestle (AEPW);  
Parlato (WUDWS); Kozel (PPU, Colombo);  
Hebert (PPU, Manila)

cc: Ms. Trask (ASPED)

ross/pd

ROUTING SLIP		DATE: 2/20/85
NAME		ROOM NO.
Mr. Gross		
APPROPRIATE DISPOSITION	NOTE AND RETURN	
APPROVAL	NOTE AND SEND ON	
CLEARANCE	PER OUR CONVERSATION	
COMMENT	PER YOUR REQUEST	
FOR ACTION	PREPARE REPLY	
<input checked="" type="checkbox"/> INFORMATION	RECOMMENDATION	
INITIAL	SIGNATURE	
NOTE AND FILE	<b>URGENT</b>	
REMARKS:		
<u>RAS/81/001</u>		
Annexes to Evaluation Mission Report sent earlier.		
FROM: Liz Trask	ROOM NO.:	EXTENSION: 32751

**UNITED NATIONS  
DEVELOPMENT PROGRAMME**



**PROGRAMME DES NATIONS UNIES  
POUR LE DEVELOPPEMENT**

ONE UNITED NATIONS PLAZA  
NEW YORK, N.Y. 10017

TELEPHONE: 966-6000

CABLE ADDRESS: UNDEVPRO • NEW YORK

REFERENCE: RAS/81/001

FEB 1 1985

Dear Mr. Howlett,

Subject: RAS/81/001 - Preparation of Water and Sanitation  
Investment Projects

..... Further to our letter of 2 January 1985, we are pleased to  
enclose a copy of the Annexes to the Evaluation Mission Report on  
the above-mentioned project.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Roy D. Morey', written over the typed name.

Roy D. Morey, Chief  
Division for the Regional Programme  
Regional Bureau for Asia and the Pacific

Mr. Albert Howlett  
Technical Assistance Officer  
Technical Assistance Unit  
Projects Department, East Asia and  
Pacific Regional Office  
The World Bank  
1818 H Street, N.W.  
Washington, D.C. 20433

*Technology Advisory Group*  
UNDP Interregional Project INT/81/047:  
Development and Implementation of Low-cost Sanitation Investment Projects

**OFFICE MEMORANDUM**

---

TO: Mr. Michael Cohen, Chief WUDSR  
DATE: February 15, 1985

FROM: Richard N. Middleton

SUBJECT: RAS/81/001

1. I have had meetings with the two Asia divisions to discuss the next steps in the extension of RAS/81/001. In brief, this is what we propose:

- o by February 22nd, we will have prepared and cleared internally a letter to UNDP setting out our reactions to the evaluation and our proposals for the future (Chandra Godavitarne is drafting the letter at present, following our discussions);
- o by March 1st, we hope to have received UNDP's endorsement of our proposals so that we may make the appropriate administrative arrangements;
- o the two staff designated for the PPU offices in Dhaka and Bangkok (Godavitarne and Bruestle respectively) should transfer onto the PPU budget with effect from April 1st;
- o the period April 1st - June 30th will be spent in preparing the project extension document, to cover the two years July 1985 - June 1987; field work, including discussions with governments and donors, will probably be in May; and
- o the extension will take effect from July 1st; Bruestle will move to Bangkok on or about that date; for personal reasons, Godavitarne is likely to remain headquarters-based (although undertaking PPU missions) until the end of August.

2. As soon as the draft letter to UNDP is ready, I shall request a meeting with you to clear it; I will then contact Ms. Miller, UNDP/RBAP, to brief her on its contents before it is formally transmitted.

RNMiddleton:ll

cc: Messrs. Sandstrom, Godavitarne, ASPUW; Ahmad, AEPW; Gross, WUD



January 18, 1985

Distribution

Bruce Gross, Technical Assistance Officer, WUDSR

61472

Reimbursable Agreements for Provision of National Staff,  
UNDP Project RAS/81/001

Attached are two reimbursable agreements for the provision of national staff for UNDP Project RAS/81/001. Both are with the Local Water Utilities Administration (LWUA) in the Philippines, and cover the period January 1 through June 30, 1985. Through these agreements, LWUA will provide the services of Mr. Allen Lowe, an engineer, and Ms. Merlyn Lopez, a secretary, to work under the supervision of Mr. Paul Hebert.

Please note that the first of two payments under each agreement is now due, and that the second and final payment will be due within fifteen days after the end of the agreement.

As with previous reimbursable agreements of this type, we will retain the original in our files.

cc with attachments Messrs. Middleton, Kozal, Hebert  
Mrs. Hwang, del Castillo

BCross/pd

LMiller/cna

cc: Mr. Joseph  
Mr. Morey  
RPD Readers file  
LM/chron

RAS/81/001

JAN 2 - 1984

Dear Mr. Howlett,

Subject: RAS/81/001 - Preparation of Water and Sanitation  
Investment Projects

..... We are pleased to attach herewith five copies of the Evaluation Mission Report on the above-mentioned project.

As you will see from the conclusions and recommendations of the Report, the Mission has recommended an extension of the present project up to 30 June 1985, plus an additional 6 man-months of expert services to assist Mr. Kozel in drawing an extension phase of the project document (mid-1985 through December 1986), with emphasis being placed on three parallel sets of activities:

- (a) Identification of international agencies (multilateral and bilateral) which are interested in supporting development of the water and sanitation sector in particular countries and which are amenable to PPU collaboration in the preparation of projects they intend to assist;
- (b) Assistance to national sector agencies in selected countries, in the identification and preparation of investment and technical cooperation projects which are suitable for external financing within the framework of a comprehensive sector investment strategy; and

/...

Mr. Albert Howlett  
Technical Assistance Officer  
Technical Assistance Unit  
Projects Department, East Asia and  
Pacific Regional Office  
The World Bank  
1813 H Street, N.W.  
Washington, D.C. 20433

- (c) Formal and informal training of sector agency professionals in the planning of programmes and preparation of projects for water supply and sanitation. A tentative outline of objectives for a Phase II project is attached.

We support the Mission's recommendations and would appreciate the Bank submitting as soon as possible, a revision reflecting the extension of the project as outlined above.

In terms of the formulation of the project's extension, we would urge that given the Mission's findings, considerable groundwork be undertaken to ensure that the project's extension is designed keeping the Mission's guidelines in mind to ensure that a pragmatic document reflecting the priorities of both participating countries as well as donors are taken into consideration.

We look forward to receiving your comments on the Report, as well as a revision reflecting the project extension.

Yours sincerely,

Roy D. Morey, Chief  
Division for the Regional Programme  
Regional Bureau for Asia and the Pacific

RAS/81/001 - Preparation of Water and Sanitation  
Investment Projects

R E P O R T  
OF  
EVALUATION MISSION

November 1984

RAS/81/001 - Preparation of Water and Sanitation Investment Projects

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- I. List of Persons Met
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- III. Country Report - Nepal
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- VIII. Country Report - Bangladesh

INTRODUCTION

(i) This Report has been prepared by the Evaluation Mission whose terms of reference are provided in Annex 1. Members were:

James J. Berna, UNDP Consultant, Team Leader

Brian Grover, World Bank Consultant

Vincent Witte, WHO Consultant

The Mission was requested to visit four countries where RAS/81/001 had been active and to conclude its work by preparing a final report in Colombo. At the same time, the Mission was to evaluate a second regional project executed by WHO - International Drinking Water Supply and Sanitation Decade Advisory Services (RAS/81/024). A second report on this other project has been prepared by the Mission and is submitted separately.

(ii) An initial briefing for the Mission on RAS/81/001 was provided at World Bank Headquarters in Washington, D.C. on October 29, 1984, in which a representative of UNDP's Regional Bureau for Asia and the Pacific participated. The Mission had planned to meet in New York on October 2 for a briefing at UNDP Headquarters prior to travelling to New Delhi for a briefing at the South East Asia Regional Headquarters of WHO (SEARO). However, the events following the assassination of Mrs. Gandhi, Prime Minister of India, caused the mission to be rescheduled, going directly to the first country to

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be visited, Nepal. This rescheduling caused the Mission to miss initial briefings in New York and New Delhi. The mission was remedied in part by the fact that the Project Manager of RAS/81/024 accompanied the Mission as a resource person.

(iii) The actual schedule of mission activities was as follows:

October 29:	Briefing in Washington
November 3-6:	Travel to Kathmandu (via Frankfurt and Bangkok)
November 7-10:	Work in Kathmandu
November 11:	Travel to Bangkok from Kathmandu
November 12-16:	Work in Bangkok
November 17:	Travel to Manila from Bangkok
November 18-24:	Work in Manila (extended by several days because of disturbances in Sri Lanka)
November 25:	Travel to Colombo from Manila (via Singapore)
November 26-Dec. 4:	Work in Colombo
December 3 and 4:	Final meetings in Colombo (one on each project)
December 4:	Mission departure from Colombo

(iv) The purpose of the final meetings in Colombo was to inform concerned UNDP and Agency staff, as well as the Project Managers, of the Mission's principal findings. The following persons participated:

(a) Meeting on RAS/81/024 (December 3)

UNDP

Mr. Jan Kamp	- Resident Representative, Sri Lanka (Chairman)
Mr. Matthew Kahane	- Deputy Resident Representative, Sri Lanka
Mr. Michael Smith	- Deputy Resident Representative, India
Mr. Laxman Fernando	- Programme Officer, Sri Lanka

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WHO

Mr. Soli Arceivala	- Chief, Environmental Health, SEARO, New Delhi
Dr. Notany	- WHO Programme Coordinator and Representative, Sri Lanka
Mr. Perrty Lao	- Sanitary Engineer, Sri Lanka
Mr. Charles Chandler	- Project Manager

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Mission Members

Mr. Jim Berna - UNDP Consultant and Team Leader  
Mr. Brian Grover - World Bank Consultant  
Mr. Vincent Witt - WHO Consultant

(b) Meeting on RAS/81/001 (December 4)

UNDP

Mr. Jan Kamp - Resident Representative, Sri Lanka  
(Chairman)  
Mr. Matthew Kahane - Deputy Resident Representative,  
Sri Lanka  
Mr. Michael Smith - Deputy Resident Representative, India  
Mr. Laxman Fernando - Programme Officer, Sri Lanka

World Bank

Mr. Jaroslav Kozel - Project Manager

Mission Members

As above

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(v) By the time of these meetings, the Mission had completed rough drafts of both Project Reports, but they were not in suitable form for presentation to the participants because of lack of time. However, the Conclusions and Recommendations were made available in report format and were subsequently revised to some extent on the basis of the discussions, as well as further considerations of the Mission itself.

(vi) The Mission visited Nepal, Thailand, Philippines and Sri Lanka, in that order, to review project activities with the UNDP offices, World Bank representatives and knowledgeable authorities in government agencies and international aid agencies in each country. One member of the Mission (Mr. Grover) also made brief visits to two other countries (Malaysia on November 16/17 and Bangladesh on December 9 while there on a separate assignment) for the same purpose. Mission analyses of Project Preparation Unit (PPU) activities in these six countries are attached as Annexes 2 through 7 of this document.

(vii) The Mission faced a heavy workload in trying to assess and report upon two complex projects through visits to four different countries, all within a period of less than five weeks. The task was complicated somewhat by the need to revise the itinerary to take account of disturbances in India and Sri Lanka during the period. In the circumstances, the Mission found it necessary to limit its discussions in each country and thereby did not speak at all with two groups indicated in the terms of reference: local consultants and representatives of communities who should benefit from the project. Furthermore, discussions with other groups were limited to those that the Mission felt were essential for the assignment.

(viii) In addition to meetings in the capital cities of the countries visited, only two brief field visits were possible, and these only for some members of the Mission. In Nepal one member visited Pokhara in order to meet with regional representatives of the government department responsible for the proposed Western Region project. In the Philippines, two members travelled to two rural districts near Manila to learn about implementation experience of a rural water supply and sanitation programme being supported by USAID.

(ix) This report by the Mission is based primarily on information obtained during visits to the six countries indicated. In fact, RAS/81/001 was also active in Burma and the Maldives, and RAS/81/024 in the Maldives, Indonesia, Sarawak (Malaysia), Papua New Guinea and Tonga, but the Mission was unable, in the limited time available, to visit these countries or analyze completely project documentation about results there.

(x) Readers of this Report will note from Table 1, attached to this Introduction, that the 2 regional projects dealt with 11 countries, having a total population in excess of 272 million persons. Each country is unique and presents special challenges. The basic data in Table 1 illustrate some of the variations between project countries. Population ranges from 150,000 (Maldives) to 92.9 million (Bangladesh), with three countries all having populations near 15 million (Malaysia, Nepal and Sri Lanka) and two near 50 million (Philippines and Thailand). Per capita GDP ranges from \$140 (Bangladesh) to \$1860 (Malaysia), a country so relatively prosperous that hardly any bilateral donors are active there. Life expectancy at birth

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ranges from 46 years (Nepal) to 69 years (Sri Lanka), 86% (Thailand). Adult literacy rates range from 19% (Nepal) to 86% (Thailand). In addition it should be noted that the regional projects which is the subject of this report deals in fact with limited activities in the water supply and sanitation sector which are themselves conditioned by the general development environment in the different countries. Drawing conclusions and recommendations has therefore been extremely challenging. The Mission offers this Report as its best assessment, but cautions that it does not claim to be infallible. There is the chance that the Report contains errors or omissions which could not be avoided. Nevertheless the Mission believes that the conclusions and recommendations are basically correct.

(xi) In its Terms of Reference, the Mission was requested to examine what linkages, if any, exist between the two projects, and whether there has been any duplication of activities. Apart from a visit made by the engineer of RAS/81/001 to the Project Manager of RAS/81/024 at SEARO, New Delhi, to exchange information on the two projects when they were starting up, the Mission has not found any collaboration or duplication. In the Mission's view, there has not been any real scope for meaningful collaboration, given the very different orientation of the 2 projects. RAS/81/001 has been concerned with the preparation of investment projects in the water and sanitatijon sector, predominantly in towns, and with general investment policy and strategy of governments. RAS/81/024 has focussed on rural areas and the study of individual communities, and on the software elements of project planning and implementing, predominantly community education and participation

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aspects, the scope for which is considerably less in towns and cities than in rural areas. As a result, each project has operated independently in its own separate area of sector development. Meaningful convergence can begin to take place only at the stage when the RAS/81/024 project begins to impact on overall sector policy and planning procedures. At that point, software elements should begin to be built into the design of investment projects to an increasing extent, and investment strategy for the sector broadened to include the investment in human resources, community education, and local institutions needed to support community-based development, operation and maintenance of systems.

(xii) The Mission wishes to acknowledge with appreciation the extensive assistance and cooperation received in the course of its work from staff of national and international agencies in each country visited. Although the individuals and organizations are too numerous to mention, their helpful efforts are gratefully acknowledged. The Mission wishes to express its particular thanks to the UNDP offices in each country visited for their helpful advice and logistic support; and to the RAS/81/001 project office in Colombo for the secretarial assistance so cooperatively provided.

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TABLE 1

BASIC DATA ON PROJECT COUNTRIES

	Activities in UNDP Projects		Population in mid 1982 million	Population Growth Rate 1970-1982 %	Gross Domestic Product per Capita 1982 US\$	Life Expec- tancy at Birth (1982) Years	Adult Literacy Rate 1980 %
	RAS/81/ 001	024					
Bangladesh	Yes*	No	92.9	2.6	140	48	26
Burma	Yes	No	34.9	2.2	190	55	66
Indonesia	No	Yes	152.6	2.3	580	53	62
Malaysia	Yes*	Yes	14.5	2.5	1,860	67	60
Maldives	Yes	Yes	0.15	N.A.	200 <u>1/</u>	47 <u>1/</u>	82
Nepal	Yes*	Yes*	15.4	2.6	170	46	19
Papua N Guinea	No	Yes	3.1	2.1	820	53	32
Philippines	Yes*	Yes*	50.7	2.7	820	64	75
Sri Lanka	Yes*	Yes*	15.2	1.7	320	69	85
Thailand	Yes*	Yes*	48.5	2.4	790	63	86
Tonga	No	Yes	0.1	N.A.	460 <u>1/</u>	N:A.	N.A.

1/ 1980

\* Visited by Evaluation Mission

Data source: 1984 - , World Development Report;  
World Bank.

GENERAL REPORT

PART I - EVALUATION OF THE PROJECT

A. FORMULATION OF THE PROJECT

(1) Project Purposes and Ultimate Objectives

1. The objectives of the project are listed in Part II, A and B of the Project Document. Five immediate objectives are designated, but can be reduced to four, since two of them form integral elements of the first objective, project preparation. The four objectives are:

(a) Assist governments to identify and prepare investment projects for water supply and sanitation;

(b) Identify sources of financing for such projects as well as for related studies;

(c) Train local staff in the preparation of projects and corollary studies as well as in the operation of institutions; and

(d) Identify institutional, financial and manpower constraints on the implementation and operation of water supply and sanitation projects, and recommend organizational procedures and training to remove the constraints.

2. The planned outputs of the project, in relation to these objectives are, respectively:

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(a) Project documentation which will provide sufficient technical, economic, financial, engineering and institutional information to permit project appraisal and investment decisions by national and international agencies;

(b) Identification of sources of finance to implement prototype projects;

(c) Training of local consultants and sector agency staff in project selection and design; and

(d) Model sector policies for institutional arrangements and community participation for water supply and sanitation projects.

3. With reference to the first objective (preparation of investment projects) it should be noted that the project does not aim at the preparation of projects for external financing only. The Project Document specifies that "the project will provide a technical team to assist the governments in preparation of investment projects in the sector so that they can be successfully implemented with or without the existence (sic) of external agencies" (PART II, D). Nevertheless, a major objective of the project, as understood by all parties, is the mobilization of additional external financial support through the preparation of well-designed projects and identification of potential donors to support them.

4. The long-term Development objective is to develop water supply and sanitation systems which will assist governments in meeting the objectives they have established for the International Drinking Water Supply and Sanitation Decade (IDWSS - 1981-1990).

(2) Design of the Project

5. A basic assumption underlying the Project is that the increased flow of international investment into the water and sanitation sector, which had been hoped for by the Mar del Plata Plan of Action, has been hampered by a shortage of well prepared projects. (See Prodoc II, B, 10: to the effect that "only a project pipeline will permit rapid investment of such funds").

The corollary of this is the expectation that if well designed projects can be prepared and brought to the attention of donors, international investment will be accelerated and presumably will be larger than would otherwise be the case.

6. To assess the validity of this hypothesis, and appraise correctly the results of the Project in stimulating international investment to date, it is necessary to recognize that a number of factors other than the availability of well prepared specific projects impinge on donors' decisions to finance water supply and sanitation projects. First, many bilateral assistance agencies operate within the framework of some form of country programming system which determines the overall magnitude of aid available to a given country for a specified period of time. When these funds are fully programmed new projects cannot be accommodated, sometimes for several years, depending on the donor's programming cycle. This, for example, is generally the case with the World Bank and is similarly the case with USAID.<sup>1/</sup> Secondly, donors

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<sup>1/</sup> The specific Agencies mentioned in this section have, in fact, been contacted by the project as potential donors (see Country Reports). The factors described here, however, also apply to many other donors in varying degrees.



sometimes establish priorities within a given country. The Commission of the European Communities (EEC) for South Asia will support in Thailand only integrated irrigation, water supply and sanitation programmes covering both rural and urban communities. Other Agencies have their own priorities and preferences. Thirdly, a Donor's perception of the implementing capacity of the sector agency responsible for the project can be an important factor, as in the case of the Swiss Association for Technical Assistance (SATA) in Nepal. Fourthly, the types of aid provided - (grant or loan) and the conditions attached to it are important. In Thailand, for example, DANIDA provides practically no grants, and its State Loans are 70%-80% tied, making them an inappropriate source of funding for many water supply projects since the bulk of their costs involved local expenditures. The German Technical Cooperation Agency (GTZ) provides only technical assistance, although the Agency is closely linked with the German Government and can accordingly influence capital assistance decisions. In short, the availability of well prepared projects can be, at best, only one of a number of important factors influencing the availability of external funding for Decade activities.

7. It is also necessary to review the way in which Donors are actually operating at the present time with regard to support for the water and sanitation sector. The Mission found in the countries visited that in those cases where bilaterals as well as the Asian Development Bank are in fact supporting water supply projects, the availability of previously prepared projects was not a significant factor in their decision. Rather, a general decision to support sector development was first reached through negotiations

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with the various governments, following which the agency in question usually provided technical assistance for the preparation of specific projects, including feasibility and engineering studies carried out by the consultant firms contracted by the donor. This has been the case with the U.K. Overseas Development Agency (ODA) who are funding a project in Eastern Nepal, and the Italian and German Governments in Thailand. The Asian Development Bank, which is supporting sector projects in Far-Western and Mid-Western Regions of Nepal follows the same general approach and as a normal procedure provides up to \$150,000 in grant funds for project preparation work when there are solid prospects that this work will be followed by an ADB loan. The World Bank follows similar procedures. The Mission also found that even when prior preparatory work has been done by others, donors generally wish to appraise this work themselves, and often reshape the project to fit their own particular requirements. In short, the Mission found that the availability or non-availability of a well prepared project seems to have little effect on donors investment decisions, and that far from waiting for such projects to be presented to them, they are themselves identifying countries and areas where they want to support water supply and sanitation projects, following which they arrange for the necessary preparation work.

8. The above observations are not meant to imply that project preparation work of the kind carried out by this project may not influence Donor's decisions in particular instances. To do so, however, the project has to fit in with the Donor's priorities in the country in question, its programming cycle, and its conditions of aid, as well as match the

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government's priorities. This points to the need for careful prior research on various Donors' policies in a given country, and early discussions with them to assess the realistic possibilities that a particular type of project, once prepared, will in fact find Donor support. In short, early identification of a specific potential Donor before projects are prepared in detail will increase the chances of success.

9. In the Mission's view, this was not emphasized sufficiently in the project design, nor built into the plan of action specifically enough. Part of the problem is the fact that the Project Document does not define adequately what precisely is meant by "identification of sources of finance". In the minimal sense, the phase can mean preliminary contacts with a number of donors to ascertain their general interest followed by suggestions to the government as to which one seem to be good prospects. Or it can mean detailed research and consultations, aimed at identifying a specific donor. As presently drafted, the Project Document leaves all this quite vague.

10. The Project Document also fails to define adequately the precise role and responsibilities of the Project Preparation (PPU) Team and/or the Executing Agency for following up with potential Donors after a project has been prepared, versus the responsibility of the government itself. "Follow-up" in this context does not mean official negotiations, which clearly only the government can conduct, but those informal contacts which generally precede formal submissions by governments to external donors, and which must often be conducted by the line agency responsible for the project. The

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interpretation of the Project Team, judging from their activities as well as from correspondence with governments, has evidently been that this follow-up is primarily the responsibility of the government. One official of at least one government (Thailand) contacted by the Mission expected more vigorous follow-up by the Project Team and as a result, has experienced some disappointment with the project. Also, in another country (Nepal) there was no follow-up by the PPU or the Bank after documentation for a proposed project was provided to the Government and to prospective Donors.

11. An important feature in the design of the project has been the decision to identify and guide the preparation of investment projects with the assistance of seconded national staff, rather than by utilizing consultants, the usual procedure employed by international donors and lending institutions (see Project Document II, B, 2). To achieve this, the Work Plan provides for the training of local staff "in the preparation of projects and corollary studies". (Proj. Doc. II, B, %). In principle, this approach is a sound one and directly linked with one of the broader aims of the project, namely, the strengthening of countries' own capacities for investment project preparation. A practical question to be considered, however, is to what extent a two-person regional team responsible for at least six different countries, can ensure that the required training will be adequate for achieving the goals of the project, which included preparation of project documentation which provides sufficient technical, economic, financial and institutional information as well as comprehensive engineering studies, to permit project appraisal and investment decisions by national and

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international agencies. Such documentation involves full-scale project feasibility studies, for which most national staff are not sufficiently skilled at present. The ways in which the project has attempted to provide the required training have varied from country to country, and are described in the annexed Country Reports, with the results evaluated in the appropriate section of this Report. The Mission is of the opinion that the Project would have benefitted from a stronger training component, e.g., the use of training consultants to follow up at the country level and provide further in-service guidance to national staff engaged in the project preparation work.

12. In addition to identification and preparation of investment projects; identification of sources of finance; and the training of national staff in project preparation, the project design includes a fourth objective, namely: "Identify institutional, financial and manpower constraints on the implementation of projects and recommend organization procedures and training to remove the constraints" (Procedure II, B.f). The outputs expected from these activities are described as: "model sector policies for institutional arrangements and community participation for water supply and sanitation projects" (Project Document II, E. ; (C) ).

13. The logical connexion between the first three objectives of the Project, which closely complement and reinforce one another, and this last objective is not apparent, nor does it appear to be consistent with the project inputs (unless the intention was to draw upon short term consultants for this work). Analysis of institutional and manpower constraints, and such

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factors as community participation in the planning, implementation and operation of systems, would require a number of expert services over and above the engineering and financial analysis skills represented on the project team. Effective diagnosis of the problems mentioned would also require intensive in-country study of some duration, and it is doubtful that a Regional Project, which must necessarily distribute its services rather thinly over a number of countries, is an effective instrument for achieving the stated objective. The really effective institution-strengthening projects which the Mission encountered in the countries visited have been country-based projects.

14. The project design provided for a team of 2 full time experts, namely, an engineer and financial analyst, plus short-term consultant services, originally budgetted at 12.5 m/m spread evenly over three years, and later reduced to 11 m/m over four years. The reason for the inclusion of a financial analyst (who in fact was more of an economist) is not clear, since financial analysis is required only at the later stages of project identification and preparation, and even then not on a full-time basis. At the beginning of 1984, after two years of project operation, the expert component was expanded to include a full time expert in the use of micro-computer in the design of water supply projects. His activities have been exclusively of a training nature. This decision was made for administrative and budgetary reasons, and not because the Project Preparation Unit had need for such expertise. The expert in question had been doing very

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useful work under a country project financed from the IPF of the Philippines and later under the TAG Project and it was considered useful to keep him in the field.

B. IMPLEMENTATION OF THE PROJECT

15. Preparatory funding for the project was approved in 1981 (\$90,000 covering 1-1/2 months) and the project was formally approved in March 1982 for an original UNDP contribution of \$690,000. This allowed for two professional staff (one engineer and one financial adviser) plus consultants and support services over a period of two years. The latest budget, following the recommendations of the Tripartite Review in July 1983, provides for the extension of the project through 1984 (one year extension) and the addition of a third staff member (computer expert) in 1984. The revised budget calls for a UNDP contribution of \$1,166,472.

16. The sanitary engineer, Mr. Kozel, joined PPU in November, 1981 on secondment from the World Bank. He has continued to work on the project since then and helped establish the Colombo Office after moving there in February, 1982. The second member of the Team was a financial analyst, Ms. Romm, who joined PPU in Colombo late in April 1982. Trained as an economist and engaged on a two-year contract, her prior experience with the World Bank was minimal. When she left after the expiration of her contract in April 1984, the World

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Bank intended to send another sanitary engineer from Headquarters. However, the person in question resigned, so PPU has been without such a second professional since May 1984.

17. The final team member, Mr. Hebert, is a computer expert who has been living in Manila since June 1981. Before joining PPU, he worked for two other UNDP projects. He joined RAS/81/001 in January 1984 and has continued to be based in Manila with office space and support provided there by the Local Utilities Waterworks Administration (LUWA) (with whom he has been working since his arrival in Manila).

18. The project was endorsed by 8 countries in the Region, viz., Bangladesh, Burma, The Maldives, Nepal, Philippines, Singapore, Sri Lanka and Thailand. Between the start of the project in November 1981 and November 1984 (when the Evaluation Mission arrived), the PPU team had allocated its staff resources to activities in 11 countries in the Region. Details of the time spent in each country are provided in Table 2, which clearly indicates that activities in Bhutan, China and Indonesia were minimal. They were, in fact, confined largely to reconnaissance activities, and were not followed by significant operations. Thus, for practical purpose, RAS/81/001 has been active in eight countries in the Region, with major concentration on Sri Lanka, Nepal, Malaysia and Thailand, in that order. The analysis of professional time in Table 2 indicates that 75% was spent on country specific work and 25% on administration and other overheads. The distribution of the PPU's work by country is as follows:

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Table 2:  
Allocation of Professional Time by Country  
from November 1981 through November 1984

	Person - Months				Total	% of Total
	Kozel	Romm	Herbert	Consultants <sup>5/</sup>		
Bangladesh	4.40	-	-	-	4.40	5
Burma	1.80	-	0.48	-	2.28	3
Malaysia	5.00	-	0.62	2.14 <sup>1/</sup>	7.76	9
Maldives	2.40	2.10	-	-	4.50	5
Nepal	-	11.40	-	-	11.40	13
Philippines	1.60	0.70	0.71	0.29	3.30	4
Sri Lanka	10.80	4.54	0.81	1.76 <sup>2/</sup>	17.91	21
Thailand	4.70	0.05	0.48	0.64 <sup>3/</sup>	5.87	7
Bhutan	-	0.10	-	-	0.10	-
China	-	1.30	0.15	-	1.45	2
Indonesia	-	0.05	0.57	0.24	0.86	1
General Regional	-	-	1.85	2.80	4.65	5
Sub-Total	<u>30.70</u>	<u>20.24</u>	<u>5.67</u>	<u>7.87</u>	<u>64.48</u>	<u>75</u>
Administration	1.70	0.50	2.30	0.50	5.00	6
Leave	3.50	3.60	0.95	-	8.05	9
Liaison with IBRD	1.40	0.70	0.	-	2.68	3
Other (installation, etc., holidays)	2.20	2.10	1.50 <sup>4/</sup>	0.10	5.90	7
GRAND TOTAL <sup>6/</sup>	<u>39.50</u>	<u>27.14</u>	<u>11.00</u>	<u>8.47</u>	<u>86.11</u>	<u>100</u>

- NOTES:
1. Financial Analyst (Mr. Iyer) 1.5 m.m.  
Manpower Development (Miss Mendoza) 0.5 m.m.
  2. Appraisal Harispattuwa by FINNIDA (Mr. Jeffcoate) 1.0 m.m.
  3. SEATEC International 0.5 m.m.
  4. Includes mission to India 1.0 m.m.
  5. Exclude activities by consultants assigned to tasks by IBRD Headquarters during preparation phase in 1981.
  6. Based on record of hours worked, using 168 working hours per month. Totals exceed elapsed time in period because of overtime excess of 168 hours.

19. An early task for the PPU staff was to visit the countries, provide relevant information, and ascertain their interest in participating. Five countries were visited for this purpose late in 1982. The first two months of 1982 were devoted to reviewing the status of sector activities and developments in the countries of the region, and collecting relevant information for use in the project. Office space and staff were arranged in Colombo in March. Thus the initial five months, prior to the first operational mission (to Burma, to identify projects early in April 1982) were spent primarily in starting up PPU.

20. Soon after the financial analyst arrived in Colombo in April 1982, it became apparent that the concept of a team approach was unattainable. Due to a personality conflict between the two staff members, the operational responsibilities were arranged so that each team member worked in different countries, except in Sri Lanka and the Maldives where they worked together to a limited extent. Immediately after her arrival and while establishing herself initially, the Financial Analyst prepared a thorough analysis of donor activities in Sri Lanka as her first task (see also the Annex on project activities in Sri Lanka). Efforts of the two staff members to work together in the Maldives confirmed that they were not compatible so they worked separately thereafter.

21. The principal management tool used by the World Bank for the Project was a 12-month work programme, initiated by the staff and revised every six months by a working party of three World Bank managers, viz., the Division Chiefs responsible for sector staff in the two Regional Departments

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of South Asia and East Asia, plus the Senior Advisor (Operations Policy Staff) for Water and Waste Water. There has been substantial reorganization of the Bank's regional offices and of the Operations Policy Staff since the project began but the management process has been relatively constant, although the individual managers changed. PPU staff visited Bank Headquarters in Washington annually to discuss and review future work.

22. Travel by PPU staff to each country has been cleared in advance by headquarters management (along with terms of reference) prior to each trip. This device served to maximize coordination between PPU missions and operational missions by regular Bank staff. Telex and telephone were used to facilitate communication between PPU Headquarters, Washington and participating countries and this process worked efficiently. Trip reports by PPU staff were routinely provided to country officers of the World Bank and UNDP as well as to Bank Headquarters. Semi-Annual progress reports were provided to UNDP.

23. The Mission notes that the PPU staff consisted of two professionals with different expertise who never really functioned as a team. Instead, they acted relatively independently, following their own initiatives, with limited direction from World Bank headquarters once the annual Work Plan had been established. The lack of cooperation between the financial analyst and engineer in the Colombo Office resulted in inefficiencies. The analyst worked mainly on the Nepal project (perhaps excessively) and practically nowhere else, and the engineer has stayed completely away from Nepal. PPU activities

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in that country suffered, in the Mission's view, from a serious lack of engineering input. Furthermore, there was no follow-up by PPU in Nepal after the responsible staff member left in April 1984.

24. It is clear that the strategy and tactics of PPU evolved pragmatically over the three-year period. It was recognized early that these limited staff resources could only be used to prepare projects for donor support if supplemented extensively by staff inputs from the sector agencies in the countries in which PPU was working. Hence the initial efforts in Sri Lanka and Thailand to train agency staff in project planning so that most of the work in identifying projects and preparing feasibility reports could be done by national agency staff as part of supervised, in-service training. This approach, however, was severely hampered by sector agency manpower constraints, which adversely affected PPU's work in Thailand and Sri Lanka particularly. In Nepal, although no formal training of agency staff was attempted, a rather comprehensive project was prepared by local staff under PPU supervision. However, the project had deficiencies (to be discussed later) and the process effectively tied up the PPU staff member more or less continuously for nearly a year.

25. After about a year-and-a-half, the PPU came to the conclusion that results were not being produced fast enough and revised its strategy. The revised strategy of PPU was to concentrate to a greater extent on two related matters in a particular country, namely: (a) formulating proposals for a realistic policy framework for improving sector services; and (b) putting

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forward suggestions for a comprehensive programme for achieving better service levels. This more comprehensive approach has been pursued in Sri Lanka with considerable success (as will be discussed later) and appears to offer reasonable prospects in Bangladesh. It must be pointed out, however, that this approach takes more time and effort to implement and it generates few specific investment projects at the early stage. It does, however, provide good prospects for the generation of a large number of sensible projects, at a later stage and should enhance the prospects for increased external investment in the longer term.

26. While the PPU strategy was evolving in this manner, the staff continued to provide assistance for preparation or improvement of specific projects. Thus, a rural water and sanitation project in Sri Lanka supported by FINNIDA was substantially revised and improved. In Malaysia, two very large water supply projects were identified as candidates for World Bank financing and their preparation accelerated, and the design improved. While these activities were doubtless of considerable benefit, they were not part of a comprehensive strategy. In the area of training, PPU's activities were diverse but effective and are discussed later in the Report. The results and benefits of training are of a long-term nature, however, and the impact cannot easily be evaluated.

27. As PPU's strategy and approach evolved, so did the staffing requirements. With the change in emphasis away from specific project identification and preparation, towards growing concentration on sector policies and overall investment strategy, a broader perspective was required, covering economic as

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well as technical matters. The expert originally designated as a financial analyst was, in fact, an economist, and should have been replaced when she left with an economist with experience in overall sector policies and programmes.

28. In summary, despite a number of problems, the Mission believes that RAS/81/001 was generally implemented satisfactorily and responded pragmatically to the actual environment in which it had to work in the various countries. This ability to improvise, test and revise the implementation strategy during the evaluation of the project is a credit to the professional staff involved.

C. PROJECT ACHIEVEMENT AND USE OF OUTPUTS

(1) Project Preparation and Investment Follow-Up

29. In assessing the achievements of the Project Preparation Unit (PPU), the Mission has been requested, in part, (by its terms of reference - Annex 1) to determine:

(a) for how many proposals and for what amounts has this project directly attracted national or international financing;

(b) for how many proposals and for what amounts has the project indirectly led to national or international financing; and

(c) how many projects and for what amounts has it developed, for which financing is still being sought.

30. Before attempting to answer these questions, it is necessary to review the results achieved in each of the countries in which the PPU has been operating. The annexes attached to this Report contain detailed description of activities and outputs in five countries visited by the Mission together with appraisal of the project's impact, and should be read in conjunction with this General Report. A report on Bangladesh, subsequently visited by one Mission member, will follow. The results can be summarised as follows:

31. In Nepal, PPU played a main role in preparing a water supply project for 24 small urban communities in the Western Region of Nepal, one of the priority regions in the country for which the government is seeking donor assistance. The total estimated cost of the project is \$10.0 million, of which the foreign exchange component is \$5.7 million. The project includes a significant technical assistance component designed to influence the future direction and approach of the implementing government agency, the Department of Water Supply and Sanitation (DWSS). The project is currently under consideration for support by the German Agency for Technical Cooperation (GTZ), with whom the government, in the person of the Chief Engineer, has initiated discussions. The Swiss Association for Technical Assistance (SATA) also has the project under consideration, but had not, at the time of the Mission's visit to Nepal, received any request from the government. The Project has not yet been included in the national sector budget, pending clarification of the prospects for international support, but the Mission was informed that the government will go ahead with it within two years, even if a donor has not been found. The question is whether, if that happens, the project would be implemented as an integrated package with the innovative

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features and improved management structure built into the project design by the Project Preparation Unit, or as individual community facilities in accordance with DWSS' usual practices.

32. In Thailand, PPU has been instrumental in the preparation of project identification reports for the expansion of existing piped-water systems in three medium sized towns. The reports were prepared by national staff of the government's Provincial Waterworks Authority (PWA) as an in-service practical training exercise, following a training course organized by PPU in Bangkok. The investment requirements of the three projects are not available. The Italian Government recently agreed to finance feasibility studies for the three projects and two other towns for which the PWA itself prepared identification reports. The feasibility and engineering studies will be prepared by an Italian consulting firm. To what extent the three identification reports prepared with the assistance of the Project Preparation Team influenced the Italian decision is not entirely clear. The view expressed to the Mission by the PWA authorities was that they were not a decisive factor, although they undoubtedly helped the Italian Government to obtain a clearer idea of the nature of the three projects.

33. In Malaysia, PPU has succeeded in identifying two major projects as promising candidates for World Bank loans. One is a water supply project in Johor State, estimated to cost US\$150 million, which will serve approximately 1.2 million people. Although this project may eventually have received World Bank support in any case, PPU activity has clearly accelerated the loan

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process by approximately one year, and has influenced the design of the project in very positive ways. A project has also been identified in Selangor District for prospective joint funding by the World Bank and Asian Development Bank, but this is somewhat further in the future because project preparation by the Malaysians is at a more preliminary stage.

34. In Sri Lanka, the PPU planned to carry out five feasibility studies, using national staff of the National Water Supply and Drainage Board (NWSDB), who have been provided by PPU with training in project preparation work. The five projects are: (a) Rehabilitation of Colombo's water supply facilities; (b) expansion of the Colombo water distribution system; (c) expansion of Puttalam water supply; (d) expansion of Negombo water supply; and (e) construction of village wells in the hardrock areas of southeast Sri Lanka. The total cost of these projects has been estimated at \$50-\$70 million. Because of serious manpower constraints experienced by the NWSDB, it was agreed in September 1983 that attention would be focussed only on three priority projects, namely: (a) rehabilitation and improvement of Greater Colombo Water Supply; (b) rehabilitation of other urban water supply systems throughout the country, including strengthening of operations and management (O and M); and (c) drilling wells in hardrock areas, with the objective of providing approximately 15,000 deep wells in Sri Lanka's dry zone area as a permanent source of drinking water.

35. With regard to the first of these three projects, rehabilitation and improvement of the Greater Colombo Water Supply, there has been little progress, mainly due to serious staff constraints in the NWSDB. Excellent progress has been made on the other two projects.

36. With regard to the second project, rehabilitation of urban water supply systems throughout the country, PPU has collaborated closely with USAID in the formulation of a large scale technical cooperation project designed to strengthen the NWSDB as the country's leading development agency in the water supply/sanitation sector, with particular emphasis on building up its capacity for the rehabilitation of existing systems, and in the areas of operation and maintenance, an urgent need of the Board. A serious problem in Sri Lanka has been over-concentration on the construction of new water supply systems, often stimulated by offers of external assistance from the 15 or so Aid Agencies active in the country, resulting in a growth of NWSDB facilities far beyond its operational revenues and maintenance capacities. A position paper on this subject prepared by PPU has helped to focus attention on this problem, and has had a significant influence on the shape of the USAID project, which includes a component for strengthening the O and M activities of NWSDB. PPU also influenced the design of the project in other important ways; as acknowledged in the AID project document, and in a letter addressed by AID to the World Bank.

37. The third project referred to in paragraph 34 above, viz., formulation of a national Rural Water Supply and Sanitation Programme, has been completed with major inputs from the PPU. Up to the present time, the development of rural water supply and sanitation in Sri Lanka has been a rather scattered and fragmented effort. A number of donors have been assisting, notably UNICEF, DANIDA, FINNIDA, USAID and GTZ. However, a large proportion of the rural population still remains dependent on shallow wells,

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many of which in the dry zone do not provide a permanent year-round water supply. The present number of protected deep wells in this region is estimated at only about 1500.

38. On the basis of an Identification Report prepared by the PPU in November 1983, a programme has been prepared which calls for the drilling of 15,000 deep wells by 1990 within the framework of an overall Rural Water Supply and Sanitation Programme. The Programme includes a large sanitation component, provision for operation and maintenance, and training in health education. In order to stimulate additional external aid and coordinate it properly in support of the Programme, it is proposed that each interested donor focus on a specific district of the country. The Programme has been approved by the Development Secretaries and the Government of Sri Lanka intends to convene a Round Table Conference of Aid Agencies in January 1985 at which possible donor support will be discussed. The total cost of the Programme is estimated at about US\$115 million, of which some \$60 million is the foreign component. GTZ, FINNIDA and USAID among others have indicated interest in the Programme. The Deputy Director of the National Planning Division, Ministry of Finance, informed the Mission that provision is being made in the National Budget for the required Government expenditure, and gave the major credit for the Programme to PPU.

39. In Sri Lanka, the PPU also played a major role in the design of a large rural water project for which FINNIDA had offered the Government support. As originally conceived, the project had serious flaws, including

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capital and operating costs so high that the project would probably not have been implemented. An appraisal committee in which PPU was included, redesigned the project, resulting in a substantial lowering of operational costs; extension of Finnish aid to include a project coordinator; a training component, thereby strengthening WSDB's institutional capacity to implement the project; and the provision of additional equipment and spare parts which will greatly improve operation and maintenance. The Deputy Director of the Planning Division who was a member of the Committee, told the Mission that all this was due primarily to the PPU. The Finnish Embassy confirmed their appreciation of PPU assistance in this and other instances.

(2) Training Activities

40. One of the outputs expected of the Project, according to the Project Document, is the "training of local consultants and sector agency staff in project selection and design". At the Tripartite Review held in July 1983, it was recommended, and later agreed by UNDP, that an additional expert be included in the project as an adviser on the use of micro-computers in project design and financial analysis. This expertise has been used primarily in training activities in countries of the Region, including several not participating in the RAS/81/001 project as such.

13. Twelve training programmes have been organized under the Project to date, resulting in a total of 991 days of training for participants from 11 different countries in the Region. The programmes are summarised in the following Table 3.

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TABLE 3

RAS/81/001: List of Major Training Activities

COURSE	Date		Course		Course Duration Days	Participants			
	From	To	Loca- tion	Pri- mary		Support- ing	Total	By Country	
1. Planning seminar for senior officials in the Water Supply Sector	Aug. 23	Sep 3 1982	Manila	UNDP/ WHO	LWUA EDI	12	1	Burma	1
2. Regional course on Project Formulation and Appraisal. Anna University	Feb 22	Mar 15 1983	Madras	WHO	Univer- sity	21	4	Sri Lanka Nepal	2 2
3. Planning in Water Supply and Sanitation	Mar 14	Mar 19 1983	Bangkok	PPU	PWA	6	23	Thailand	23
4. Planning in Water Supply and Sanitation	Mar 19	May 5 1983	Colombo	PPU	NWSDB	6	26	Sri Lanka	26
5. Regional course on Project Preparation	June 21	June 23 1983	Bangkok	AIT	EDI	4	4	Sri Lanka Thailand	2 2
6. Planning Seminar for senior officials in Water Supply Sector	Oct. 16	Oct. 29 1983	Manila	UNDP/ EDI	LWUA EDI	14	16	Sri Lanka Nepal Malaysia Thailand Burma	3 4 2 3 4
7. Study visit Low-cost Sanitation Technologies - India	Dec. 10	Dec. 20 1983	New Delhi	PPU	MLG, Malaysia	10	2	Malaysia	2

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TABLE 3 (Cont'd.)

RAS/81/001: List of Major Training Activities

COURSE	Date		Course		Duration	Participants			
	From	To	Loca- tion	Sponsor		Total	By Country		
				Pri- mary	Support- ing		Days		
8. Regional workshop on use of microcomputers (lecturing only)	Feb. 6	Feb. 14 1984	Manila	UNDP ADB	LWUA	8	17	Phil. India Nepal Bdesh Malaysia Bhutan Thailand Burma Indonesia Korea	1 3 2 2 2 1 2 1 2 2
9. Workshop in use of computer in Water Supply Design	Feb. 1984	Feb. 1984	Rangoon	PPU	Ministry	1	30	Burma	30
10. Workshop in use of computer Water Supply Design	Mar. 30	Mar. 30 1984	Colombo	PPU	NWSDB	1	10	Sri Lanka	10
11. Workshop in use of computer Water Supply Design	Sep. 27	Sep. 29 1984	Kuala Lumpur	PPU	JKR	3	19	Malaysia	19
12. Planning seminar for senior officials in the Water Supply Sector	Oct. 15	Oct. 27 1984	Manila	UNDP WHO	LWUA EDI	12	9	Sri Lanka Malaysia Thailand	3 2 4

42. Six of these training programmes, covering 411 man-days of training, were organized by PPU itself, and 6 by the computer expert. The most important of the PPU courses were two courses in planning for water supply and sanitation projects, each six days long, which were organized specially for professionals of PWA staff in Thailand (in March 1983) and, for NWSDB staff in Sri Lanka in May 1983. In both cases PPU helped to select lecturers from among senior agency staff and other local experts, and assisted them to plan and present comprehensive courses (in the Thai language in Bangkok and in English in Colombo). Communication advisers were engaged to help improve the delivery by the lecturers. All participants (23 in Thailand and 26 in Sri Lanka) were provided with sets of course materials. During these courses, the agency staff helped to identify specific projects (3 in Thailand and 5 in Sri Lanka) for which identification and feasibility reports would then be prepared by staff, to aid in the process of obtaining external financing for project implementation. As a practical training follow-up, 3 identification reports were in fact prepared in Thailand, but agency manpower constraints prevented a similar follow-up in Sri Lanka.

43. Several workshops were also organized by PPU in cooperation with the computer expert, to train sector professionals in the use of computers in water network design, all in 1984; in Rangoon (1 day for 30 staff); Colombo (1 day for 10 staff) and Kuala Lumpur (3 days for 19 staff). One study visit of 10 days was arranged for two Malaysian experts to observe low-cost sanitation technologies in India; and PPU arranged participation by 51 sector professionals in 6 regional courses in water supply and planning, of which four were conducted by the World Bank's Economic Development Institute. Details are provided in Table 3.

44. PPU's financial analyst gave a lecture on project preparation and financing at a workshop organized by WHO for sector professionals in Liaoning Province in China in 1983. The team's computer expert lectured on applications of computers in two regional workshops in 1984 (as he had in previous years when supported by other UNDP projects).

45. Sector agency staff who participated in training courses outside their country with PPU assistance were usually encouraged to take a few extra days for meetings and site visits with their professional colleagues. These contacts were coordinated by PPU and often provided valuable exchanges of information. Finally, PPU staff, on a personal, informal and continuing basis, have provided considerable on-the-job training to sector staff at all levels. This has been particularly true in Colombo and Manila where PPU staff were located.

46. As indicated earlier, PPU's original objective in the training of national staff was to improve and utilize local expertise for the rapid preparation of investment projects, which would in turn lead to accelerated donor support. The intention was that course participants, working under the direct guidance of senior national staff who had been course lecturers, would then acquire on-the-job training through the supervised preparation of identification and feasibility reports for particular projects. Experience in Sri Lanka and Thailand, however, soon demonstrated that this theoretically correct approach wasnot practicable.

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47. The basic problem was that agency staff who had attended the training courses could not be freed from their routine duties to take on the additional work of preparing additional projects. In Thailand, the situation was complicated by the location of staff selected for training in different regional offices of PWA as well as in Bangkok. As a result of these problems, the practical experience actually acquired by course participants was limited. Identification reports of good quality were prepared for three projects in Thailand but staff were unable to follow up with the more comprehensive feasibility studies that were needed as originally envisaged. The principal sector agency in Sri Lanka (NWSDB) experienced accelerated emigration of qualified staff following the communal disturbances in July 1983 and very little was accomplished in the way of project preparation by the staff trained by PPU.

48. Nepal was a different case. There PPU was able to coordinate a team of staff members from the principal water supply agency (DWSS) who collectively prepared a comprehensive project comprising a package of 24 individual projects in the Western Region. The Mission has not been able to assess the degree of on-the-job training actually received by the Nepali team, as only one of the five team members named in the report was available to be interviewed and his role appeared to be minimal. It seems clear that the Final Project Report was drafted principally by the PPU staff member but she too had departed, and therefore, could not be interviewed. Senior DWSS staff informed the Mission that the agency had gained practical experience in the process of preparing the Western Region project, but would nevertheless not be able to repeat the process for another project without further outside assistance.

49. The Mission believes that the content of the country courses organized by PPU was of high quality. It also appears that the regional courses in which PPU arranged for participation of national staff were generally of good calibre, but no direct evidence is available. In the view of the Mission, the most valuable training provided by PPU has been the continuous guidance given to national staff, particularly middle and higher level managers, concerning overall sector issues, strategies, programmes and projects. In Sri Lanka, this guidance has contributed to the acceptance and implementation of major new sector policies relating particularly to the rehabilitation of urban water supply systems and the development of water supply and sanitation for rural communities.

50. The training in computer application provided by the computer expert attached to RAS/81/001 is definitely improving the work of sector agencies in several countries of the Region, notably the Philippines, Thailand, India and China. Not only are water distribution system designs (the primary focus of the training) being improved substantially, with attendant savings in time and money, but more importantly, sector planners are beginning to use the computer as a tool to plan and appraise potential projects in a much more systematic manner. This is possible because the process of testing the alternative technical and financial assumptions and designs has been made so relatively simple and rapid. Most importantly, at least in LWUA in the Philippines and probably in other places too, local computer experts have developed enough expertise and confidence to devise new methods for using computers in their work. In fact, several LWUA staff members have already served as consultants, under World Bank auspices, to other sector agencies in the Region.

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51. Human resources development is crucial to improving the provision of water supply and sanitation services throughout the Region and staff training, at all levels, remains a persistent long term requirement. This is certainly true in the matter of project planning, which requires skill, experience and judgement in many topics. The Mission notes that the training already accomplished by PPU has been tangible and effective and will make a definite contribution to the ability of sector authorities in the Region to plan more and better projects for water supply and sanitation. However, the training so far is meeting only a small portion of the overall needs of sector institutions in the Region, and the Mission believes there is a strong case for continuing and expanding training in project preparation in the countries participating in the Project.

PART II - CONCLUSIONS AND RECOMMENDATIONS

A. CONCLUSIONS

52. The project was experimental in nature and the experience indicates that it was founded on incorrect assumptions. In spite of this, it has produced positive and worthwhile results, and in the view of the Mission, it should be extended, as recommended below.

53. The project was founded on two basic premises:

(a) That a pipeline of well-prepared projects would generate additional external investment in the sector; and

(b) That such projects could be prepared for presentation to donors by national staff based on training and guidance provided by the PPU.

54. The experience to date indicates that Aid Agencies are not ready to expand their support in the water and sanitation sector simply because projects are presented to them, however well prepared they may be. Many other factors influence their financing decisions, as indicated in Section A, paragraph 6 and 7 above. Experience also indicates that the preparation of an effective pipeline of projects for future external investment requires the establishment by receiving governments of a realistic sector investment strategy. There is, therefore, no simple and direct cause and effect relationship between well-prepared projects and an increased flow of external investment into the sector. As a consequence, the expectations for the project were unrealistic.

55. Another factor that has hampered results, has been the absence of a clear strategy for project activities in each country, agreed to by the Ministry of Finance (and/or Planning) which is responsible for external investment decisions, and for following up with donors and investment banks. PPU's agreements and understanding have been with the sector line agencies responsible for project identification and preparation, but which do not make final investment decisions. As a result, priorities have been subject to change, and projects prepared by PPU were not always followed up by governments.

56. The use of national staff to prepare better projects, based on training and guidance provided by PPU, has not resulted in a large quantity of well prepared projects suitable for financing (external or domestic). This approach was attempted in Nepal, Thailand and Sri Lanka. In Nepal, one comprehensive project estimated to cost \$10.0 million (comprising 24 individual schemes) was prepared without formal training of national staff but with intensive assistance from PPU staff, but financing has not yet been provided. The project is still under consideration by donors, however.

57. In Thailand and Sri Lanka, staff constraints and too many other government priorities have prevented national personnel from carrying out the intended feasibility studies on projects identified with PPU assistance. Identification reports were prepared by Thai staff trained by PPU for three projects but foreign assistance has had to be sought for the follow-up feasibility studies. In Sri Lanka, loss of agency staff through emigration has prevented further preparation of identified projects in some cases.

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Fortunately, other arrangements have been made in Sri Lanka, with PPU assistance, for following up two of the three major projects identified by PPU.

58. As a consequence of the above factors, no instances have been found by the Mission where the PPU has succeeded in generating projects which donors have agreed to finance. At best, thus far, prospective donors have agreed to help prepare and perhaps later finance the implementation of three groups of projects in which PPU has been involved. These are as follows.

59. In Thailand, the Italian Government is expected to provide funds for the payment of consultants to undertake feasibility studies for three projects estimated to cost \$10 million which were identified by national agency staff trained by PPU, along with two other projects identified by the government agency itself.

60. In Sri Lanka, USAID has agreed to commit \$12.3 million for a comprehensive five-year project for strengthening the National Water Supply and Drainage Board, and for preparation of projects for rehabilitation of urban water supply systems. PPU played a prominent role in the preparation of this technical cooperation project, together with USAID consultants.

61. In Sri Lanka, the Government's Development Secretaries have approved a National Programme for Rural Water Supply and Sanitation which was designed with major inputs from PPU, and the Government intends to convene a Donors

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Meeting, now scheduled for January 1985, to discuss external financing of specific projects within the overall Programme. The Programme is a large one which envisages the construction of some 15,000 deep wells in dry areas of the country.

62. In three other instances, PPU has had a major impact on specific projects. In Sri Lanka, a Rural Water Supply Programme financed with assistance from FINNIDA was substantially improved as a result of PPU collaboration. The project was simplified technologically, and made more comprehensive and affordable. It is now being implemented, and will serve an estimated 150,000 people.

63. In Malaysia, the Johor Water Supply Project, intended to serve 1.5 million people, was identified by PPU as a good candidate for World Bank financing in 1983, and was being appraised by a World Bank mission in November 1984, following which a Bank loan is expected to be negotiated.

64. Another project has been identified by PPU in Malaysia for which IBRD and ADB joint funding is planned, viz., the Selangor Water Supply Project, intended to serve an estimated 2.5 million people. PPU is collaborating in the preparation of the project so that appraisal and financing by the two Banks can proceed as rapidly as possible.

65. A rather unique combination of circumstances appears to account for the Project's successes in Sri Lanka. These are:

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(a) The presence of a large number of Aid Agencies actively seeking ways in which to assist in the development of the water and sanitation sector;

(b) The readiness of a number of major donors to work cooperatively in the design of projects which they are interested in assisting; and

(c) A growing concern of the government that externally supported projects must be tailored more clearly to the country's needs and priorities.

66. The PPU has also been headquartered in Sri Lanka and has devoted more man-hours to work in the country (21%) than in any other. Staff has thus been able to maintain more continuous contact with sector authorities, and establish better rapport with donors than would have been possible through periodic short visits.

67. After about two years of experience, the project staff and management realized that the original concept (training national staff to prepare feasibility studies for support by international agencies) was not working fast enough. They then decided to concentrate on sectoral policies and comprehensive programmes which would include sensible projects, anticipating that donors aware of the process would eventually provide support for such projects. This strategy has been effectively followed in Sri Lanka although the actual impact in terms of specific donor support will not be

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clear for a year or so. In Bangladesh, where the government's decentralization programme (Upazila Centres) has required a new approach to sector development, results are further away. Nevertheless, the Mission believes that this revised strategy of PPU is essentially correct, and will bring effective benefits in the longer term. The project has had no measurable impact in the Maldives, the Philippines or Burma.

68. It is worth pointing out that generating investment projects in the water and sanitation sector requires considerable time. Related ADB experience in Nepal warrants comment in this connexion. Their approach, in the process of becoming active in the country, was to start with a sector study by external consultants. This required a \$50,000 technical assistance grant from ADB and at least half a year's work. Once a prospective region and project were identified, ADB provided another technical assistance grant (\$150,000) which was used to engage consultants to prepare a specific project. Approval of a loan for the implementation of that project is expected in mid-December 1985, roughly 22 months after the Mission provided a technical assistance grant for project preparation, and roughly 2-1/2 years after ADB decided in principle that it wanted to be involved in this sector in Nepal. This entire process has produced no obvious benefits to Nepal in terms of the training of local staff in project preparation. However, water and sanitation services are likely to be improved faster in the area of Nepal in which ADB has been active, than in the region which PPU selected for its activities.

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69. The composition of the PPU team has been questionable. A financial analyst is hardly the basic skill needed for the identification of projects, and is only required for some elements of a feasibility study. As it turned out, the personalities of the two staff members selected were not compatible and the pair worked independently, and with negligible cooperation, for most of the two years they were on the Project. The World Bank's intention to replace the financial analyst with a second experienced professional when the former left the Project failed to materialize and the Project has been handicapped by lack of staff for most of 1984. This appears to be one reason why PPU failed to follow up on the Nepal project prepared by the Unit and which had been the principal responsibility of the departed financial analyst.

70. The decision to attach a micro-computer expert to the PPU during 1984 was made for pragmatic administrative reasons, and not because PPU needed such expertise to carry out its functions. However, the work of the expert has been very useful to countries of the Region in the training of sector agency staff in the use of computers on the design and costing of projects, both before and after his attachment to RAS/81/001.

71. The training and related activities which PPU has carried out in the various countries in connexion with its project preparation activities have been useful, and have contributed to the strengthening of sector institutions. These activities should be continued.

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72. In attempting to assess the overall impact of the Project thus far, the Mission is of the view that sufficiently positive results have been achieved to justify the expenditures incurred even though the results have not been precisely those expected when the project was approved, i.e., direct generation of additional external financing through projects prepared by national staff trained under the Project. The Mission believes that the investment likely to flow into the sector in several countries in the longer term, partly as a result of the PPU's work, more than justifies the costs of the Project. Equally important, experience has been gained which can now be put to good use in other countries.

73. The Mission found that receiving countries generally appreciated the assistance provided by the Project and expect its continuation. The project experience, however, indicates that the expectations of countries with regard to the benefits they think they will obtain from the Project are very diverse. Potential results are also related to the country's level of sector planning and management. Some countries have been orienting the Project on the basis of ever changing immediate priorities, and only a few recognize the long term benefits which the Project can provide within a well planned sector development strategy. The Mission, therefore, concludes that the effectiveness of the Project can be greatly improved if future assistance can be provided on the basis of a concrete PPU work programme in each country, based on a well formulated sector development and investment strategy, agreed to by the government, the World Bank and the PPU.

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B. RECOMMENDATIONS

Introduction

74. The Mission considers that there is a need in the countries of the Asian Region for the kind of services that the PPU is currently providing, and that the results to date - (although not the same as those originally planned) have been sufficiently positive to justify continuation of the Project. At the same time, the results have been found to be quite uneven from country to country, and it is not entirely clear on how many or which countries future activities should be concentrated to achieve maximum impact. Two things are now needed: (a) consultation with governments and Aid Agencies active in the Region, to develop a practical strategy and concrete plan of action for future activities in each country to be included in the next phase; and (b) preparation of a Phase II project based on these consultations and the experience to date. The Mission accordingly recommends as follows:

Principal Recommendations

75. The Mission recommends that the project be extended immediately for 6 months beyond its present expiration date, i.e., to 30 June 1985. The extension should include the two experts presently in post (i.e., Mr. Kozel and Mr. Hebert), plus 6 m/m of expert services to supplement Mr. Kozel's activities and undertake the investigations recommended in paragraph 6 below. The World Bank should submit a revised budget for the first half of 1985 as soon as possible.

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76. It is also recommended that UNDP agree in principle to a further 2-year extension for a team of two professionals from July 1985, subject to submission by the World Bank of a Phase II Project Document, mutually acceptable to both parties. Work on the preparation of the document should be started as soon as possible.

77. Major emphasis during the next phase of the Project should be on three parallel sets of activities:

(a) Identification of international agencies (multilateral and bilateral) which are interested in supporting development of the water and sanitation sector in particular countries and which are amenable to PPU collaboration in the preparation of projects they intend to assist;

(b) Assistance to national sector agencies in selected countries, in the identification and preparation of investment and technical cooperation projects which are suitable for external financing within the framework of a comprehensive sector investment strategy; and

(c) Formal and informal training of sector agency professionals in the planning of programmes and preparation of projects for water supply and sanitation. A tentative outline of objectives for a Phase II project is attached.

78. High but not exclusive priority should be placed on the development of rural water supply and sanitation programmes and projects and on strengthening the capabilities of sector agencies responsible for the rural sector.

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79. Preparation of the second phase of the project should be based on:

(a) Consultations with the appropriate Divisions of the World Bank and Asian Development Bank to ascertain their loan plans and interests in countries of the Region;

(b) Similar consultations with major Donors both at their headquarters and country offices;

(c) Consultation with governments to identify the sector agencies with which the PPU should mainly work in the next phase, to ascertain governments' major investment needs and priorities, their interest in participating in the project, and to begin formulating a strategy and work plan in the countries selected for concentration.

80. The output of these consultations with governments should be a clearly defined work plan for the PPU in the country. This plan should specify: (a) the main outlines of the government's sector investment strategy; (b) the priorities for PPU activities; (c) the sector agency or agencies with which PPU will work; and (d) the respective responsibilities of PPU and the government for following up project identification/preparation work with Donors. The work plan should be put in writing and attached to the Project Document for endorsement by the appropriate government authorities. The work plan should have the agreement of the Ministry of Finance or Planning having responsibility for investment decisions, and not only of the sector line agency.

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81. On the basis of presently available information, the Mission believes that the most promising countries for concentration by PPU are: Sri Lanka, where some follow-up work still remains to be done; Nepal and Bangladesh, where groundwork laid over the past three years should be built upon further; and Thailand, where activities to date have been concentrated in the urban sector, but where the Mission and PPU see considerable need for sector development work in the rural sector. PPU staff will be visiting most of these countries in the next months and can make any further investigations that may be useful for the reformulation of the project. The Mission sees no need for further assistance in the Philippines and the Maldives and little, apart from continuing assistance in the Selangor project, in Malaysia.

82. There are additional countries in which it appears that PPU can probably make a useful contribution in the next phase of the Project, specifically, Burma, Indonesia and Pakistan. UNDP should understand that the need in Burma is for long term institutional and sector development and tangible results will not be quick in coming. The same may be true in Indonesia and Pakistan. If PPU activities are to be extended to cover these additional countries in the next phase, on-the-spot inquiries should first be made to determine the needs and prospects more precisely, as outlined above, paragraph 79.

83. The most suitable location for the headquarters of the Phase II project has to be agreed. A Washington-based Team is not recommended. It is the view of the Mission that the headquarters should definitely be in the

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Region, to facilitate easy communication with the other participating countries (by telephone as well as by visits). The country selected should be one which has a broad need for and receptiveness to the project services, because of the greater impact which a regional project normally has in the host country; and which provides good travel and telecommunication connexions. The place that meets this criteria best appears to be Bangkok. Dhaka and Kathmandu meet the first two criteria but not the third. There is a case for keeping the headquarters in Colombo, but the sector work in Sri Lanka has been largely accomplished, and the remaining need for identification of projects and cooperation with Donors can be done effectively from another location. Another possibility would be stationing of the two experts in separate countries in South Asia and East Asia to provide a headquarters impact in two countries, and facilitate travel to countries. This would also fit the Bank's Division structure and facilitate supervision.

84. UNDP should make certain that the proposed project extension has the full support of the Bank as an institution and of its senior management, and not only that of a particular unit or individual.

#### Other Recommendations

85. The PPU or the Bank should follow up the work that has been done in Nepal for the purpose of strengthening the project prepared for the Western Region and identifying one or more suitable donors, in collaboration with the UNDP Resident Representative.

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86. In case the location of the project should be changed, the Colombo office should be maintained for about six months, to ensure continuity.

87. Greater use should be made by PPU of national as well as expatriate consultants to complement the expertise and capacity of project staff. Sufficient funding should be planned in the project extension for such consulting services.

88. Training in the use of computer techniques for engineering and management applications is recognized to be of great benefit to the national staff in the Region. However, it need not necessarily be connected with the project preparation activities. The Mission therefore recommends that the World Bank propose, prior to June 30, 1985, some form of continuation of these training activities. The Mission is of the opinion that maximum use should be made of the expertise in that field which has been developed at the Local Waterwork Utilities Administration (LWUA) in the Philippines in designing a future project, possibly supplemented occasionally with short-term expert help.

/...

89. PROPOSED REFORMULATION OF OBJECTIVES OF PROJECT PREPARATION UNIT  
FOR A PHASE II PROJECT

(1) Assist governments and their agencies in updating sector policies and investment programmes for remaining years of the Decade, and defining the magnitude of total capital requirements, including the external financial assistance which can reasonably be expected.

(2) Identify external financing sources likely to be available to participate in sector development in each country, along with their conditions or criteria for assistance.

(3) Assist sector agencies in defining programmes and projects suitable for external financing. Investment proposals should ensure that services would be affordable for users. Proposed projects should also include components to provide for adequate operation and maintenance as well as for gradual strengthening of sector institutions.

(4) Assist governments and sector agencies in securing sources of external finance for carrying out feasibility studies as well as for the implementation of projects. Also facilitate dialogue with bilateral donors through drafting consultants' Terms of Reference and other documents needed for processing and approval of technical assistance projects.

(5) Assist sector agencies in reviewing project reports and other related documents in order to improve project design and accelerate implementation. Also participate in project appraisal, as requested by government agencies.

(6) Provide or facilitate access to training of sector staff in identification and preparation of projects, with particular emphasis on low cost technologies and affordable services. Study tours to be included as a training tool in addition to formal courses and in-service training.

(7) Continue to provide linkages and information to national agencies, i.e., funding sources; technology developments; training opportunities and mechanisms, etc.

*Technology Advisory Group*  
UNDP Interregional Project INT/81/047:  
Development and Implementation of Low-cost Sanitation Investment Projects

**OFFICE MEMORANDUM**

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TO: Messrs. Sud and Sandstrom DATE: January 18, 1985  
FROM: Richard N. Middleton, ~~Project~~ Manager INT/81/047  
SUBJECT: RAS/81/001: Workplan, January - June 1985

1. I attach for your information a copy of the workplan prepared by Mr. Hebert during his recent visit. This is essentially the same as that he submitted to Mr. Kozel in December (copied to you), with some minor amendments reflecting his discussions with your staff.

RNMiddleton:ll

Attachment

cc: Messrs. Kozel, Cohen, Arlosoroff, Hamer, B. Gross, Ms. E. Hewitt,  
Ms. del Castillo, Mr. Schulz

PAUL HEBERT, REGIONAL ADVISER

Proposed Workplan - January-June 1985

Manila Office - RAS/81/001

Summary of Proposed Activities

1. Activities proposed for the first six months of 1985 will include specific training and technical assistance to six countries including the Philippines, Sri Lanka, Indonesia, Thailand, Bangladesh, and India in support of project preparation. Training of engineers in People's Republic of China will likely be delayed until the second half of the year. General regional activities will concentrate on improving the existing computer software and developing and testing additional programs that may be potentially beneficial to water agencies in the region. Two technical notes will be prepared. The first will detail project experience concerning computerizing technical activities in water supply agencies and the second will give details and experience with developing and using data bases for operation and maintenance monitoring. We will attempt to make better use of national staff in training activities with the objective of establishing a manpower resource base for future assistance to agencies in the region. We have already made commitments to the above six countries, and it is unlikely that we can undertake additional activities unless the work can be undertaken by consultants with supervision by the regional adviser. The proposed schedule of activities is given as Annex 1. Proposed staffing and budget for January-December 1985 is included as Annex 2.

Country Activities

Philippines

2. A one-week workshop is planned for the last week in January for staff of the Ministry of Public Works and Highways and the Rural Waterworks Development Corporation. Network Design, Financial Spreadsheets and Simple Data-Base Management Programs will be introduced to assist the agencies in preparation of projects. I will provide assistance to the World Bank Rural Water and Sanitation Project by reviewing designs and finished Level II projects. I will continue to support LWUA's activities by advising on computer applications. Planning and design activities have been greatly curtailed and emphasis now is on financial monitoring, regulatory activities and longer term corporate planning. We will attempt to verify system performance of completed network in comparison with design criteria computer analysis.

Sri Lanka

3. A simple operation and maintenance monitoring program will be completed by mid-February for the National Water Supply and Drainage Board. The Manager of the O & M Department of NWSDB is scheduled to visit Manila in mid-January to provide input to the work and to receive training in use of the program. The work is being done by Mr. Allen Lowe, my research assistant. We plan to undertake a workshop in Colombo beginning mid-February to training NWSDB staff to use design, planning and O & M monitoring programs to support overall project preparation and system operation. World Bank Credit proceeds will be used to fund most of the training activities. Mr. Lowe is scheduled to remain

in Colombo for approximately one month to provide follow-up training and trouble shooting.

#### Indonesia

4. A follow-up mission and workshop to Cipta Karya, Jakarta are scheduled in April. The workshop will assist Cipta Karya in training local consultants to use computerized network design and financial analysis techniques. (Cipta Karya has already been trained in the use of the programs and this workshop by this project.) Most of the detailed feasibility studies and designs are being prepared by the local consultants, and the workshop will be aimed at providing techniques that will boost their capabilities and efficiency. We will continue to provide advice to DWS regarding computerization and specific planning and design problems.

#### Thailand

5. A brief follow-up mission will be undertaken to the Provincial Waterworks Authority (PWA) in May to evaluate how the agency is utilizing its three microcomputers in project preparation activities. A one- or two-day refresher workshop will probably be held for agency engineering staff to demonstrate modifications that have been made to the network design programs since the last workshop and the follow-up training provided by Mr. del Puerto during May to October 1984. Coordination will be made with USAID, which is beginning a massive institutional development project with PWA early in 1985. A significant component of the project involves computer training and provision of additional computer hardware for the agency. We will evaluate the progress made in preparing projects over the past year and the impact of the design and planning programs in these efforts.

#### Bangladesh

6. Bangladesh will be a priority country for project preparation efforts beginning this year. A reconnaissance mission will be undertaken, tentatively in May, to the Ministry of Local Government (MLG), Public Health Engineering Department (PHED) regarding possible project inputs to the proposed Water Supply and Sanitation Project in Upazilla Centers. The mission will coordinate with Mr. K. M. Minnatullah, National WHO Project Officer, who has been trained at the Asian Institute of Technology in microcomputer use for developing management information systems. The mission will examine the feasibility of setting up a system for collecting and computerizing data management related to the proposed water and sanitation project. We will also examine the feasibility of introducing network design and other programs into PHED activities.

#### India

7. India has yet to endorse the RAS/81/001 project, even though India has the most potential of any other country in the region to benefit from the use of microcomputers for planning and design. ASPUW funded a mission to Lucknow in Uttar Pradesh, Madras in Tamil Nadu, and Bhopal in Madya Pradesh in October/November 1984. A mission to Kerala is scheduled for late February to introduce the use of microcomputers and planning and design programs into that state's water sector activities. We expect a request for a follow-up intensive workshop in Madras, Tamil Nadu Water Supply and Drainage Board (TWAD) between

April and June. I propose that the training be provided by consultants through TWAD or the Bank. Request for follow-up training in Bhopal, PHED is also expected, but assistance may be available through Mr. Bali Ram, PHED Rajasthan.

#### Software Development

8. Work is now underway at the University of North Carolina (UNC), under the direction of Prof. Donald Lauria, to convert network design programs and user instructions to standard format and IBM-compatibility. The computer programs developed by me in the Philippines will be modified in line with the UNC improvements. Three man-months of consultant services (local Filipino engineer) will be required to undertake this work.

#### Reports

9. A terminal report will be prepared, which will

- (a) Provide details of the planning and design computer programs being introduced into the region;
- (b) Relate the experience, both positive and negative, regarding introduction and use of the programs in the water sector (including case studies); and
- (c) Provide recommendations to water agencies based on project experience regarding all aspects of computerizing planning, design, and other activities.

A project document will be prepared for continuing support to agencies in the region for improving project preparation through use of microcomputers and specialized computer software. This will build on work undertaken through RAS/01/001 in 1984-85.

#### Training of Trainers

10. It is proposed that sufficient travel budget be provided for one local staff member to accompany me on each mission from January-June. This will insure that a few selected Filipino engineers will have sufficient exposure to training missions that they might conduct missions on their own in the future. The details for participation of Filipino engineers in the missions will be discussed with the Bank, UNDP, and LWUA. However, one possible arrangement might involve participation of the local engineer as a training exercise, in which the project would reimburse the engineer for only travel expenses and standard per diems with the possible addition of an honorarium. It is essential that a base of experienced regional expertise be established if these training and technical assistance activities are to continue once permanent field expatriate staffing is reduced.

#### Staffing Requirements and Equipment

11. The Manila office will continue to require the services of a research assistant and a secretary for the first six months of 1985. In addition, nine staff-months of local consultancy services are anticipated for computer programming, report generation and training assistance (three SM from January-June, six SM July-December). We expect that local experts will take over the

bulk of training activities in the second half of the year. Two SM of expatriate consultant services are anticipated to supervise and coordinate training and technical assistance. The regional adviser post is expected to be vacated at the end of June.

12. A briefcase-size microcomputer with appropriate hardware peripherals and software has been obtained to supplement the COMPAQ Transportable computer now being used by the project. The additional computer is necessary so that one machine is always in Manila while either my assistant or I am on mission with the other computer. Programming, research work, and office work can then continue smoothly during these periods. The lack of an additional computer in the last six months of 1984 resulted in lengthy periods when project staff could not perform computer related work.



Annex 1Proposed Schedule of Activities

January-June 1985

Manila Office

<u>Month</u>	<u>Country</u>	<u>Activity</u>	<u>Persons</u>
January	Philippines	MPWH Workshop	Hebert, Binag
		Prepare O & M Monitoring Program for NWSDB	Lowe
February	Sri Lanka	NWSDB Workshop	Hebert, Lowe, Binag
	Kerala, India	Reconnaissance Mission	Hebert
March	Philippines	Prepare reports	Hebert
	Sri Lanka	Continue on-job training	Lowe
April	Indonesia	Cipta Karya Workshop	Hebert, Lowe
	Philippines	Program Enhancement	Del Puerto
May	Thailand	Follow-up mission	Hebert, Del Puerto
June	Bangladesh	Reconnaissance Mission	Hebert, Del Puerto
	Philippines	Prepare Technical Report	Del Puerto, Lowe, Hebert
		6-month Report	
		Prepare Workplan next 6 months	

RAS/81/001 Proposed Budget - 1985

(Manila Office)

		<u>Staff-Month</u>	<u>US \$</u>
11.01	Engineer	6	45,000
11.01	Consultant (Local)	6	12,000
13.	Administrative Support	6	3,000
14.	Travel		20,000
32.	Group Training		10,000
41.	Expendable Equipment		200
42.	Non-Expendable Equipment (computer & peripheral)		8,000
43.	Premises		-
51.	Operation and Maintenance		500
53.	Sundry		<u>5,000</u>
	TOTAL COSTS		<u>131,700</u>

12/13/8  
RSM  
RG.

# OFFICE MEMORANDUM

TO: Jaroslav Kozel, Investment Project Adviser

FROM: Paul Hebert, Regional Advisor ~~PH~~

SUBJECT: Man-hour and other Contributions to RAS/81/001,  
Manila Office January 1 - November 30, 1984

DATE: Nov. 28, 1984

I have attached a Table indicating man-hour and other contributions to RAS/81/001 for the Manila office for the period January 1 - November 30, 1984. I have also noted in the Table those activities and man-hours supported by funds other than those of RAS/81/001. The data is essentially the same that I telexed on November 25.

cc: Richard N. Middleton, WUD  
Inder Sud (AEPW)  
Sven Sandstrom, ASPUW

---

PROJECT OFFICE:  
LOCAL WATER UTILITIES ADMINISTRATION  
P. O. BOX 319 AC  
BALARA, QUEZON CITY  
PHILIPPINES  
CABLE: LOCALWATER

UNDP  
P. O. BOX 7825 ADC  
PASAY CITY, METRO MANILA  
CABLE ADDRESS: UNDEVPRO, MANILA  
TELEX: RCA 7222250  
EASTERN 63696

RECORD OF MAN-HOURS AND OTHER CONTRIBUTIONS TO  
PROJECT ACTIVITIES OF RAS/81/001 (MANILA)  
JAN. 1 - NOV. 30, 1984

<u>ACTIVITY</u>	<u>HEBERT</u>	<u>LOWE</u>	<u>SEC</u>	<u>OTHER CONSULTANTS</u>	<u>LWUA</u>
<b>01 REGIONAL</b>					
Training	56	-	:	:	336 <sup>2</sup>
Computer Program Dev.	71	336	:	80 <sup>1</sup>	46 <sup>2</sup>
Training Materials Dev.	120	32	:	:	64 <sup>2</sup>
Computer Program User Instructions	9	104	:	:	80 <sup>2</sup>
<b>02 PREPARATION OF GENERAL PAPERS &amp; REPORTS</b>	56	:	:	:	:
<b>03 COUNTRY ACTIVITIES</b>					
Burma	80	-	:	:	:
China	24	-	:	120 <sup>6</sup>	:
Indonesia	96	40	:	:	:
India	168	-	:	:	:
Malaysia	104	24	:	:	:
Philippines	120	50	:	:	:
Sri Lanka	136	128	:	:	80 <sup>3</sup>
Thailand	80	24	:	:	1680 <sup>4</sup>
Bangladesh	-	-	:	:	:
Pakistan	-	-	:	:	:
<b>04 LEAVE</b>					
Annual	160	-	:	:	:
Sick	-	-	:	:	:
Holidays	88	16	:	:	:
<b>05 GENERAL ADMINISTRATIVE</b>	344	86	1848	:	:
<b>06 WORLD BANK GENERAL REPORT</b>	96	-	:	:	:
<b>07 LAISON WITH OTHER DONORS</b>	40 <sup>5</sup>	:	:	:	:
<b>TOTAL HOURS</b>	1848	840	1848	:	2286

- NOTES - 1.     ADB - Support for Project PWA/80/012 at PRC
2.     LWUA Time Donated for Regional Activities
3.     Sri Lanka time paid out contract agreement between Sri Lanka and LWUA
4.     LWUA provided 2 staff to support PWA project preparation under contract with World Bank with UNDP THA/80/012 Funds. Support arranged through Regional Advisor RAS/81/001.
5.     Arrangements with ADB to support Regional Training workshop. ADB contributed \$50,000 for workshop funding travel, per diems for 18 participants and for workshop materials and Administration.
6.     Assistance to World Bank Mission, PRC for use of microcomputer for project preparation, 1st Rural Water Supply Project, PRC, Funded by IBRD, AEP/W..

RAS/81/001

B9

The World Bank/UNDP-RAS/81/001  
Regional Asia Project Preparation Unit

## OFFICE MEMORANDUM

TO: Mr. Gautam Sengupta, Sen. Financial Analyst, Urban & Water Supply Division (ASP) DATE: November 6, 1984  
FROM: J. Kozel, Investment Projects Advisor, Colombo, Sri Lanka.  
SUBJECT: SRI LANKA - Training of NWSDB's Staff in Using Computer Techniques.

1. The Memorandum of Agreement between the NWSDB and the Philippines' LWUA is attached. I assume it should be forwarded to Disbursement.

Attachments:

c.c: Mr Middleton (WUD) with copy of Agreement.

Postal address :  
P. O. Box 1761  
Colombo  
Sri Lanka

Street address :  
4th floor,  
People's Bank Head office Building  
Sir Chittampalam A. Gardiner Mawatha  
Colombo 2

Telephone :  
548777  
27841 Ext. 390

Telex :  
21410 INDEVAS CE

# ජාතික ජලසම්පාදන හා ජලාපවහන මණ්ඩලය

தேசிய நீர் வழங்கல் சக வடிகாலமைப்புச் சபை



National Water Supply & Drainage Board

විදුලි පණිවුඩ : "වෝටර්බෝඩ්" රත්මලාන  
 தந்தி : "வோட்டர்போட்" இரத்தமலாளை  
 Telegrams : "WATERBOARD" RATMALANA

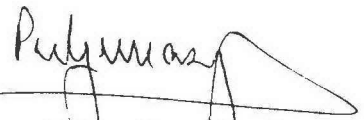
සභාපති தலைவர் Chairman	} 071-488	සාමාන්‍යාධිකාරී முகாமைபாளர் General Manager	} 071-449	ප්‍රධාන කාර්යාලය பொது அலுவலகம் General Office	} 071 { 316 367 528	ක. ප. අංකය த. பெ. இல. P. O. Box	} 14	மல்கிள கல்விசை Mt. Lavinia
මගේ අංකය எனது இல. My No.	}			ඔබේ අංකය உமது இல. Your No.	}	රත්මලාන இரத்தமலாளை Ratmalana		16th October, 1984.

Mr. J. Kezel,  
World Bank.

17 OCT 1984

Agreement between the N.W.S.& D.B. and the L.W.U.A.  
for assistance in training in the use of computer techniques.

Herewith I am forwarding the signed original of the above  
 agreement for necessary action please.

  
 P.U. Gunasinghe  
 (Chief Engineer)


MEMORANDUM OF AGREEMENT

between the  
National Water Supply & Drainage Board, Sri Lanka  
and the  
Local Water Utilities Administration, the Philippines.  
for assistance in training in the use of computer techniques.

Background

1. On the request of the Government of Sri Lanka, the UNDP financed and World Bank implemented project RAS/81/001 will provide training of staff of the National Water Supply and Drainage Board in the use of computer for engineering calculations as well as for other operational activities.
2. The training is expected to start in September 1984. It will consist of the initial introductory courses, which will be conducted in Manila, followed up by workshop sessions in Colombo. The initial training is planned to be attended by the Board's two senior engineers, but the number may be extended later. The schedule of workshop sessions in Colombo as well as the number of participating trainees will be determined after the initial training is completed.
3. The overall guidance and orientation of the training will be the responsibility of the RAS/81/001 staff, located in Manila. Material, equipment and manpower support for the training will be provided by the Local Water Utilities Administration.

Scope of LWUA's Assistance

4. LWUA's assistance will be available for both stages of instruction. During the initial introductory courses in Manila, LWUA will make available computer time including consumable material as well as a trainer. For the workshop sessions in Colombo, LWUA will provide only the trainer. Schedule and length of instructions will be agreed for each individual course and workshop separately and will depend on availability of staff in both the Board and the LWUA.
- 

2.

Terms of Payment

5. The Board will pay LWUA for its assistance in accordance with the time spent and rates specified in the attached Appendix 1, as well as for economy air fares for the trainer's visit to Colombo and return and his daily allowance.

6. The payment of the daily allowance for trainer's stay in Sri Lanka will be made in Sri Lanka Rupees upon his arrival in Colombo. Remaining payment will be made within six weeks after receiving LWUA's invoice to be presented at the completion of training.

7. The Board has received approval from the International Development Association to finance such training from the proceeds of the credit (CR 1041-CE), made available to the Board by IDA for an expansion of the Colombo Water Supply System. It is therefore expected that the payment will be made directly by IDA on basis of LWUA's invoice certified by the Board.

8. This Memorandum of Agreement is prepared in three identical copies, one to be presented to IDA and two to be kept by the involved institutions.

Date: 7<sup>th</sup> Sept. 1984

*T. B. Madugalle*  
Mr T.B. Madugalle,  
General Manager,  
National Water Supply & Drainage Board,  
Ratmalana,  
Sri Lanka

Date: 9-14-84

*Carlos C. Leano Jr.*  
Fa Mr Carlos C. Leano Jr.,  
General Manager,  
Local Water Utilities Administration,  
Quezon City,  
The Philippines.



MEMORANDUM OF AGREEMENT

between

the National Water Supply & Drainage Board, Sri Lanka

and

the Local Water Utilities Administration, the Philippines.

Schedule of Rates

	<u>Philippines</u> Pesso	<u>Sri Lanka</u> Rupees	<u>US</u> \$
1. Monthly rate of trainer in Manila	11,000	-	611
2. Monthly rate of trainer in Colombo	-	-	700
3. Daily allowance of trainer while in Colombo (UNDP rate)	-	1,685	-
4. Rate of computer time (including consumables) in Manila per course.	3,600	-	200

Note: Study Tours organized for Board's trainees in the Philippines  
will be charged in form of actual costs.



October 19, 1984

Files

Bruce Gross, Technical Assistance Officer, WUDSR

61472

Division of Costs between RAS/81/001 and ASPUW for Brian Grover's Mission to Bangladesh

To avoid the difficulties of splitting costs on Mr. Grover's travel request for the RAS/81/001 evaluation mission, ASPUW and WUDSR have agreed on the following division of costs for Mr. Grover's mission to Bangladesh:

- (1) ASPUW will issue the travel request and pay for Mr. Grover's October 29-30 trip to Washington for briefings in its entirety (travel, hotel, subsistence, and professional fees).
- (2) WUDSR will issue the travel request (under RAS/81/001) for Mr. Grover's participation in the evaluation mission, including the additional time he will spend for ASPUW in Bangladesh. ASPUW will pay only for three and one-half days of Mr. Grover's time. RAS/81/001 will bear the costs of Mr. Grover's fees in Bangladesh not paid by ASPUW, and the total airfare, hotel, and subsistence expenses for his travel to Bangladesh.

This division of costs should result in an approximately equal share to ASPUW and RAS/81/001, according to the time Mr. Grover spends in Bangladesh.

cleared with & cc: Ms. Shapiro, ASPUW

cc: Messrs. Sandstrom, ASPUW; Sud, AEPW;  
Middleton, WUD; Ms. del Castillo, WUD

BGross/pd

October 17, 1984

Messrs. Sandstrom (ASPUW); Sud (AEPW) and Middleton (WUD)

Bruce Gross, Technical Assistance Officer, WUDSR

61472

Strategy Meeting on RAS/81/001

In preparation for briefings of two of the RAS evaluation mission members (Messrs. Grover and Berna) on October 29, we have scheduled a strategy meeting for Wednesday, October 24, at 2:30 pm in Mr. Sandstrom's office (H-3033).

cc: Mr. Cohen, WUD

BGross/pd

*eff*  
*10/9*

Richard Middleton, Project Manager RAS/81/001

September 19, 1984

Paul V. Hebert, Regional Advisor

**Air Freight Shipments to Philippines**

1. I want to thank the UNDP Project Support Unit for sending the office supplies, consisting of printer ribbons, mini-floppy diskettes and diskette file. This memo, however, is to remind the Support Division of the appropriate and most efficient means for transferring project related materials from Washington to the Manila RAS/81/001 project office.

2. The Shipment arrived in Manila on about September 5. The package, weighing 1.7 kg., was addressed directly to me, which meant that I had to personally clear the package from customs. This took approximately 10 days, 4 roundtrips to Manila International Airport and cost P250 in clearance charges. I spent four hours of my time and my driver spent two full days to clear the materials.

3. In the future all air freight shipments of project related materials should be sent c/o UNDP Resident Representative, 106 Amorsole St., Makati, Metro Manila for UNDP/World Bank Project RAS/81/001 attention: Paul V. Hebert, Regional Advisor. UNDP has standard, efficient procedures for quickly securing clearance of project related materials without duties and taxes, which can be levied if materials are sent directly to me.


4. For small packages, such as the one sent in this instance, the Bank's pouch service to Manila is probably the most efficient method of shipment. Even the postal service is probably an effective method of shipping small packages of less than 10 kgs. But items should be addressed c/o Resident Representative, UNDP, P.O. Box 7285 ADC, Pasay City, Metro Manila and not directly to my project office at LWUA.

cc: Bruce Gross, WUD ✓

# OFFICE MEMORANDUM

DATE June 28, 1984

TO Mr. Bruce Gross, WUDOR

FROM Anthony Van Vugt, *AEPUW* 

EXTENSION 78207

SUBJECT Research Assistant Support for Paul Hebert

1. I have discussed with Inder Sud the above subject. He has asked me to let you know that we support the proposal. Attached is a copy of the incoming telex stating request.

2. I do so in writing because I understand that you are on mission and will not be back by the time I go on home leave.

Attachment

AVanVugt:ec

*Approved by J. Courtney  
telex of 7/10/84.*



# Record Removal Notice



<b>File Title</b> United Nations Development Program [UNDP] Project RAS/81/001 - Memos / Letters - 1984 / 1985		<b>Barcode No.</b>  30146426		
<b>Document Date</b> June 21, 1984	<b>Document Type</b> Telex			
<b>Correspondents / Participants</b> To: Kozel From: Smith				
<b>Subject / Title</b> Tentative work plan for remainder 1984				
<b>Exception(s)</b> Personal Information				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.</p>		
		<table border="1"><tr><td><b>Withdrawn by</b> Shiri Alon</td><td><b>Date</b> May 18, 2016</td></tr></table>	<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016
<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016			

907

*H. Cohen*  
*Middleton*  
*P. L. K.*

## OFFICE MEMORANDUM

TO: Mr Sven Sandstrom, Chief, Urban & Water Supply Division, (ASP) DATE: June 4, 1984  
FROM: J. Kozel, Investment Projects Advisor, Colombo, Sri Lanka  
SUBJECT: Bangladesh - Preparation of Water Supply and Sanitation Project in  
Upazila Centres, May 17 to 26, 1984.  
Back to Office and Full Report

*[Handwritten initials]*  
*JRS*  
*Fuz*  
*RP*

1. According to my Terms of Reference (telex dated May 9, 1984) I visited Bangladesh from May 17 to 26, 1984, to continue assistance in preparing the above project. I met officials from the Planning Commission of the Ministry of Finance, the Ministry of Local Government and its Department of Public Health Engineering. A list of persons met appears in Annex 1. Before leaving the country, I informed the office of the Resident Representative, UNDP, on my findings.

2. A summary of the mission findings and recommendations are as follows:

### Current Status

3. The ongoing decentralisation has been largely completed by the recent upgrading of several sub-divisional towns to districts (zilas), thus increasing their number from former 22 to current 64 and establishment within the districts of 460 upazilas in total. Each upazila is administered from its headquarters, comprising upazila office complex, a courthouse, a health unit and staff houses, usually on an area of about 1 square mile. Piped water supply and sewerage for the headquarters have been provided by the Public Works Department of the Ministry of Works. The proposed project is focussing on provision on improvement of services to population in communities surrounding the headquarters, called upazila centre. Some of the headquarters are located in towns; in such cases, an upazila centre has defined boundaries and a local government managing entity. A majority of upazila headquarters, however, are located in rural areas, where a centre surrounding an upazila has yet to be defined. The Urban Development Directorate is currently preparing the Land Use/Master Plans for all upazila centres, part of which is the delineation of development control boundaries for the centres. In cases of urban centres, the present boundaries are normally taken as a planning basis, while in case of rural centres, the new boundaries will usually limit an area of 3 to 4 square miles including the headquarters complex. Completion of plans for about 120 centres are expected in September 1984 and for all in June 1985. On the basis of the Plans the government will decide on the type of the local governing body for the newly created centres.

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Colombo 2

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548777  
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21410 INDEVAS CE

4. The Department of Public Health Engineering (DPHE), which is responsible for preparing the project in the centres, has recently completed, with DANIDA's assistance, Project Identification Reports for four centres in different districts on an experimental basis before embarking on a large scale preparation. During the evaluation of the reports' findings and of ways on how to formulate the project, emerged the following:

- (a) the improvement of water and sanitation in upazila centres is clearly a major undertaking which has to proceed gradually over a period of years and be implemented in stages depending on availability of funds and DPHE's capacity;
- (b) policies concerning standards of service and cost recovery, guidelines on design parametres and on priorities for the centres which would reflect government objectives and goals will need to be developed prior to designing the project. Such policies and guidelines will have to consider cost implications, affordability of service and need for achieving the financial viability of water supply operations in the shortest possible time;
- (c) particular attention needs to be given to improve operation and maintenance. DPHE, responsible for providing guidance to operating entities in this regard, will need to analyse ways of such upgrading and to propose steps to be taken to ensure availability of supporting facilities including staff training as well as appropriate monitoring of key parametres and performance;
- (d) planning the proposed project will require establishment of a data base in terms of location of upazila centres, existing and projected population, local government entity and current status of water supply and sanitation services; and
- (e) the implementation of the proposed project will take a considerable part of DPHE's capacity in the coming years and should therefore be planned within its overall activity framework.

#### Expected Financing

5. Improvement of the infrastructure in upazila centres is among the government priorities. Allocation of local funds for water supply and sanitation in the centres could be expected to be provided in the coming Third Five Year Plan. The Planning Commission, however, foresees that the local funds will need to be complemented by external assistance. It seems very likely that bilateral sources may be available after the proposed project is clearly defined. We were



informed for example, that DANIDA, which was involved in the preliminary stage would be willing to consider financing water supply and sanitation improvement in all upazila centres in the former Noakhali district. It would however, prefer first to review the proposals for the overall project in the country. Therefore, it appears that the project proposal will need to enunciate policy objectives and goals which are fully consistent with the government priorities and which can also be endorsed by agencies that are expected to support the project.

### Sector Study

6. Due to the complexity of aspects to be studied and analyzed in connection with the proposed project as well as the requirement to consider the project in context with the remaining part of the sector, we recommend that the most appropriate way would be to arrange for preparing of an overall sector program through a sector study. Such a study would establish a data base, analyze current status of the sector including physical, organisational and policy constraints, identify sector development strategies and priorities and propose a long term development program with a special emphasis on the improvement of services in upazila centres. The recommendation of the study would also form a basis for a formulation of the sector investment program to be included in the Third Five Year Plan now under preparation.
7. The officials of the Planning Commission, the Ministry of Local Government as well as of DPHE concur with this recommendation. Since DPHE has no capacity to undertake such a sector study including a proposal for long term development program, it was agreed that the government will identify and request technical assistance for that task. DPHE is now initiating steps to enable the Government to approve and process such a request. It also started with the assistance of the WHO sanitary engineer to collect initial data on upazila centres.
8. The UNDP in Bangladesh has expressed in preliminary discussions, its willingness to recommend financing of such Technical Assistance from UNDP funds, subject to receiving the government's request. I informed the government accordingly. I also recommended that the Bank should be requested to act as a UNDP implementing agency to ensure close coordination with the ongoing studies on the water sector by the Master Plan Organisation, which is also supervised by the Bank. The management of MPO considers the preparation of water supply and sanitation sector study as very timely and complementary to its ongoing activity. It confirmed that MPO has no adequate capacity or required professional structure to undertake the study by itself. It strongly recommends close coordination during preparation, with MPO and is offering in this regard office facilities for the study team within the MPO complex.

Study Schedule

9. Governmental processing of the request for Technical Assistance normally takes three to four months. UNDP's approval including the writing of a Project Document may require about the same period, since the amount involved is expected to be within the UNDP Resident Representative's authority and will not need further processing through the New York Headquarters. To ensure timely completion of the study within the preparation schedule of the Third Five Year Plan as well as to keep the momentum, we agreed to concurrently assist DPHE in writing the TOR. This will also enable the UNDP office in Bangladesh to start the processing before receiving the government's official request. With this, we assume that the study may start in about October 1984 and be completed in April/May 1985.

Action Taken and Recommended

10. Action taken during the mission is as follows:

- (i) A letter summarising the mission findings including recommendations concerning further steps to be taken by DPHE in preparing the proposed project was sent to the Chief Engineer, DPHE. A copy of the letter with attached Aide Memoire as well as the Draft Proposal for Technical Assistance request is shown in Annex 2.
- (ii) A letter advising on collecting information about upazila centres was sent to the Chief Planning DPHE. A copy of the letter is shown in Annex 3.

11. Following action is recommended :

Within the framework of advisory assistance the RAS/81/001 staff should draft TOR for the study and present them to the Bank, UNDP Bangladesh and DPHE for review.

## Attachments :

c.c: Messrs: Geli (ASP), MacWilliam (ASP), Clift (ASA), Cohen (WUD), Middleton (WUD), Sud (AEP), Skytta (RAF Nairobi), Owusu (RAF Abidjan), Bowlin (Resident Mission, Dhaka), Schokman (Resident Mission, Dhaka), Hebert (RAS/81/001, Manila).

With covering letter (Annex 5):

Messrs: Holzhausen, Resident Representative, UNDP, Dhaka.  
Kamp, Resident Representative, UNDP, Colombo  
Elvekjaer, Counsellor, Danish Embassy, Dhaka  
Garvey, Head MPO, Dhaka  
Horayangura, Senior Program Officer, Asian Development Bank, Dhaka

BANGLADESH

Project Preparation Mission May 17 through 26, 1984

List of Persons Met

Planning Commission

- Messrs Dr. A H Sahadatullah - Member, General Economic Division  
and Physical Infrastructure Division.
- Azizul Hug - Joint Chief Physical Planning and  
Housing Section.
- Md. Nurul Absar - Deputy Chief.

Ministry of Local Government

- Messrs Md. Azizul Haque - Secretary-in-Charge Local Government  
Division
- Abar Rahim Bhuiyan - Deputy Chief Local Government Division

Department of Public Health Engineering

- Messrs Mozamel Hussain - Chief Engineer
- Nurul Hoque - Planning
- Edmund Grosk - Hydrogeologist (DANIDA)

Urban Development Directorate

- Mr Das - Director

United Nations Development Program

Messrs: Nigel Ringrose - Deputy Resident Representative  
Yoshihiro Kishi - Assistant Resident Representative  
Larry Maramis - Program Officer

UNICEF

Mr. K Gibbs - Chief, Water & Sanitation Section.

WHO

Mr. D Wijeyaratne - Sanitary Engineer

Water Master Plan

Mr. Walter A Gravey - Team Leader, Harsa Engineering

Danish Embassy

Mr. Ove Elvekjaer - Counsellor DANIDA

IBRD Resident Mission

Messrs: John Bowlin - Operations Officer  
Tim Journey - Head, Handpump Project.

**The World Bank / Resident Mission in Bangladesh**  
**222 New Eskaton Road**  
**G.P.O. Box 97, Dacca, Bangladesh**  
**Telephone : 400003-5, 402810, 402841**  
**Cable Address : INTBAFRAD, Dacca**

COPY OF LETTER SENT

May 24, 1984

Mr. Mozamel Hussain  
 Chief Engineer  
 Department of Public  
 Health Engineering  
 Dhaka.

Re: BANGLADESH - RAS/81/001 Assistance in preparing Water  
Supply & Sanitation Project in Upazila Centres.

Dear Mr. Hussain:

Allow me to thank you for courtesies extended to me during my visit in Bangladesh from May 17 through 26, 1984. During that visit I had an opportunity to discuss with your staff in detail the status of preparation of the proposed water supply and sanitation project in upazila centres.

It now appears with greater clarity that the preparation of the project needs to be framed within the overall sector development context. I was pleased to note general agreement in this regard in your Department, the Ministry of Local Government as well as in the Planning Commission. In our meeting with the Member of the Planning Commission Dr. A.H. Shahadatullah on May 27, 1984, it was therefore suggested that your Department should initiate as soon as possible steps to enable the government to approve the preparation of a water and sanitation sector study and to request UNDP financing. As I informed you, the UNDP office in Bangladesh has expressed in preliminary discussions its willingness to recommend financing of the sector study from UNDP funds, subject to receiving a request from government.

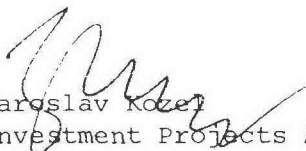
For your information I attach the Aide Memoire summarising the findings of my mission and recommendations concerning further steps to be taken in preparing the proposed project. A draft Technical Assistance Proposal, as normally used in DPHE is also included.

I am taking the liberty of sending a copy of this letter to Mr. A.R. Bhuian, Deputy Chief, Local Government Division, Mr. Md. A. Hoque, Joint Chief, Physical Planning and Housing Section as well as to Mr. W. Holzhausen, Resident Representative, UNDP.

Encl: As stated

Sincerely yours,

- cc: Mr. Abdur Rahim Bhuian  
 Deputy Chief, Local Govt. Div.  
 Ministry of Local Government.
- Mr. Md. Azizul Hoque, Joint Chief  
 Physical Planning & Housing Section  
 Planning Commission.
  - Mr. Walter Holzhausen  
 Resident Representative, UNDP.

  
 Jaroslav Kozel  
 Investment Projects Advisor  
 Colombo, Sri Lanka.

May 24, 1984

UNDP/WORLD BANK: RAS/81/001 - Preparation of Water  
Supply and Sanitation Projects.

BANGLADESH: Preparation Mission, May 17 through 26, 1984

AIDE MEMOIRE  
MISSION RECOMMENDATION  
ON PREPARATION OF WATER SUPPLY AND SANITATION  
PROJECT IN UPAZILA CENTRES.

1. Background and Sectoral Context.

Project Origin and Objectives

- 1.1 With the ongoing decentralization of responsibilities for development to upazila level, the Government is attaching a priority to upgrading services in upazila centres, i.e. in communities surrounding upazila administrative complexes (Headquarters). It instructed DPHE to prepare project for improvement of water supply and sanitation in these upazila centres. The objective is to provide conditions for their accelerated growth.

Current Status of Decentralization.

- 1.2 The Government administration in the country is now provided through four divisions divided into 64 districts (Zilas) in total; these are further divided into 460 upazilas. Lowest administrative units within upazilas are over 4,300 unions. Incorporated into districts or upazilas, but functioning as separate entities under local governments are 78 pourashavas (municipalities). While the national Government has retained regulatory functions on divisional and district levels the new concept of management at upazila level represents the amalgam of the local and the national government administration.

Responsibility for Water Supply and Sanitation.

- 1.3 Water supply and sanitation services is the responsibility of the local administrative bodies. The key national Government's agency assisting the local government bodies (pourashavas and upazilas) in developing their water supply, sanitation and surface drainage systems is the Department of Public Health Engineering. In area of low-cost sanitation the advice to pourashavas is also planned to be provided by the Construction Wing of the Local Government Division. After the facilities are constructed the upazilas and pourashavas are fully responsible for their operation and maintenance.

Sector Policies

- 1.4 On the basis of need an ability to pay for water supply and sanitation services the government recognises three population groups. The largest group includes the rural population of about 75 million (1981) of which about 45 million are served. Water supply are handpumps, provided with

a considerable element of government subsidy, both for development as well as maintenance. The second group consists of an urban population of about 4.5 million of which about 1.2 million is served by existing 62 pourashava systems. The standard of water supply service is usually a mix of piped systems and handpumps. Construction is made with full government subsidies; running costs, however, are expected to be met by the users. The third group are water supplies in Dhaka and Chittagong operated by WASAs and serving about 2.3 million out of about 4.5 million of total population. The users here are expected to meet both the development as well as the running costs.

- 1.5 Provision of sanitation, comprising low-cost latrines is partly subsidied by the Government in both rural as well urban areas.

#### Main Sector Constraints

- 1.6 It is generally recognised that several factors constrain further development of the sector; the most important are as follows:

- (a) Lack of attention to operation and maintenance, in particular of piped water supply systems. Entities responsible for operation, i.e. pourashavas are short of trained managers as well as technical staff. In addition they are not generating adequate revenues required for proper operation and maintenance;
- (b) DPHE, which is the key Government agency to assist local government bodies is not structured to provide guidance in financial management of water supply or to help in adequate training of technical and labor categories required for operation and maintenance of their systems;
- (c) Technical, financial and economic analysis of long term development options of the sector is practically not existent. This is caused partly by limited planning capacity in DPHE but also due to inadequate knowledge of the current status of the sector since operating agencies are not made responsible for periodic reporting on such matters as percentage of supplied population, quantities supplied, expenditure, collections, status of facilities and needs for expansion or rehabilitation; and
- (d) The development of the sector and major part of its maintenance is from all practical reasons fully subsidised from the Government budget; this is compounded by a lack of enforcement of cost recovery in pourashavas. Government policies should recognise the need for phasing out such subsidies, in particular in instances where a high level of service is provided through piped systems.

## 2. Water Supply and Sanitation Project in Upazila Centres.

### Types of Upazila Centres

- 2.1 There are two types of upazila centres, namely about 100 urban and 360 rural. The urban centres are <sup>essentially</sup> 78 pourashavas with defined boundaries of jurisdiction of the governing local entity. The rural centres surrounding

upazila headquarters so far do not exist as a separate local government entity. On Government instruction the Urban Development Directorate is currently preparing the Land Use/Master Plans for the district and upazila centres. In the case of urban centres the present boundaries are normally taken as a planning basis while in the case of rural centres the new development control boundaries will usually limit an area of 3 to 4 square miles. On the basis of such Master Plans the Government will later decide on type of the local governing body for the newly created rural centres. UDD plans to complete the Land Use/Master Plans for about 120 centres in September 1984<sup>and</sup> for all district and upazila centres in June 1985.

#### Current Status of Water Supply and Sanitation in Upazila Centres.

- 2.2 Information on current status of water and sanitation services in the upazila centres is scarce. Generally, piped systems exist in 62 of total 78 pourashavas, all of which are now designated as upazila Headquarters. Expansions of piped systems are now being studied or implemented with external assistance in 37 of these towns and with local funds in 25 towns. In 1981 the piped systems were estimated to provide services to 1.2 million out of about 4.5 million living in pourashavas. Population which have not received services from piped systems used wells or other unprotected surface sources. Information is not readily available on additional population to be serviced with piped systems under expansion.
- 2.3 Water supply services in the rural centres comprise communal or private handpumps but the number of handpumps (coverage) and adequacy is not available. While the population in the rural centres will be determined only through the Land Use/Master Plan studies, it could be estimated not to exceed about 2 million in 1984.
- 2.4 Sanitation services are estimated to be available to about 15% living in urban and 5% in rural centres on an average. Studies for providing low-cost on site disposal facilities were completed for 10 pourashavas and will start soon for additional 51 towns. Sanitation facilities in rural upazilas are being provided under the ongoing Village Sanitation Program but number of facilities (coverage) is not readily available.

#### Tentative Description of Proposed Project

- 2.5 In the absence of an adequate data base the description of the proposed project is necessarily very preliminary and general. On the basis of existing scarce knowledge it can be concluded that the project will include following components:
  - (a) Gradual expansion of water supply services in 460 upazila centres with population estimated by DPHE to increase by the year 2000 to about 23 million<sup>1/</sup>. The intended standards of water supply services will include a mix of piped systems and handpumps. Since a population of about 3-4 million is now either supplied or will receive supply in the near future through ongoing programs, the additional population to be

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<sup>1/</sup> The estimate of population growth seem to be too optimistic



provided with new services within the project may amount to about 20 million;

- (b) Gradual improvement of sanitation services will include mainly individual low-cost latrines. The component needs to be supported by an efficient health education program emphasizing personal hygiene;
- (c) Improvement of surface water drainage;
- (d) Provision of support facilities required for adequate operation and maintenance, such as laboratories, workshops, stores, vehicles etc. and substantial improvement of training of water supply managers and operational staff; and
- (e) **Technical assistance comprising engineering and supporting studies.**

Further Steps for Preparation of Proposed Project

- 2.6 The size of the proposed project and extent of data required warrants that its preparation be closely connected with the overall long-term development of the water supply and sanitation sector. It is therefore suggested that the framework of the project be developed within an overall sector study which would collect existing information on the sector, provide analysis of sector development options and on basis of such analysis recommend to the Government a sector development program with a special emphasis on upazila centres to be included in the next Five Year Plans.
- 2.7 The UNDP office in Bangladesh has expressed in preliminary discussions its willingness to recommend financing of such sector study from UNDP funds, subject of receiving the Government request. It should be recognised that the water supply and sanitation sector study need to be closely coordinated with ongoing studies on the water sector by the Master Plan Organisation. Since the World Bank is the implementation institution for MPO, it would be recommendable to request it also to assist as the implementing institution in preparing the sector study to ensure such coordination.
- 2.8 Preparation of the sector study would require about 6 to 8 months by a team of experts, supported by a firm of local engineering consultants. The study should start soon to provide preliminary inputs during the discussion on formulation of the Third Five Year Plan.
- 2.9 Within the framework of our advisory assistance we would be willing to prepare the draft Terms of Reference for the sector study and present it to UNDP and the World Bank for review before DPHE approval. Tentative outline of TOR in a form of the Technical Assistance Project Proposal, as normally used in DPHE, is attached.

3. Conclusion

- 3.1 We recommend that within the preparation process of proposed water supply and sanitation project in upazila centres the DPHE urgently initiate administrative steps required for the Government to request UNDP and the World Bank assistance for an earliest preparation of water supply and sanitation sector study.

DRAFT PROPOSAL  
TECHNICAL ASSISTANCE PROJECT PROPOSAL FOR  
WATER SUPPLY AND SANITATION SECTOR STUDY

1. Project Title : Water Supply and Sanitation Sector Study
2. (i) Sponsoring Organisation : UNDP with the World Bank as the implementing institution.
- (ii) Administrative Ministry : Local Government, Rural Development and Construction (Local Govt. Division).
- (iii) Executing Agency : Local Government Division with assistance from the Dept. of Public Health Engineering.

<u>Estimated Cost</u> <u>(in lakh Taka)</u>	<u>Total</u>	<u>Investment Schedule</u> <u>1984-85</u>
(i) Total	46.5	46.5
(ii) Foreign Exchange	28.0	28.0
(iii) Project Aid	46.5	46.5

4. Implementation Period
- (i) Commencement : October 1984
- (ii) Draft Study : January 1985
- (iii) Completion : April/May 1985

5. Project Objectives and Justification

5.1 Objectives

- (i) The objective of the sector study is an analysis of current status of the sector including physical, management and policy constraints, identification of sector development strategies and preparation of a long term development program with a special emphasis on improvement of services in upazila centres.
- (ii) In pursuing these objectives the study will describe and analyse:
- (a) existing water supply and sanitation facilities; (b) population currently served including standard of services; (c) existing sector organisation and sector policies and their suitability; and (d) sector goals.

- (iii) Special attention within the analysis and formulation of sector strategies should be given to financial aspects such as likely availability of funds for sector development, population preference ~~and~~ ability to pay for provided services and finally, to developing a mechanism which would ensure sector financial viability to maximum possible extent.
- (iv) The long term development program to be included in the Third Five Year Plan will propose balanced development of both water supply as well as sanitation based on recommended sector strategies, with a particular emphasis on improvement of services in upazila centres. The program will also identify steps to be taken for overcoming current sector constraints in the areas of management of water supply systems, manpower development and generation of adequate funds for proper operation and maintenance.

## 5.2 Justification

- (i) The Government has made a priority request to DPHE to prepare plans to improve water supply and sanitation services in the newly created upazila centres. Due to the great size and expected long duration of the proposed project, its phasing needs to be analysed and planned within the overall sector development activity.
- (ii) The sector study will also contribute to improvement of sector operations, assist in clarifying sector policies and strategies and strengthen the long term as well as short term planning.

## 6. Provision in:

- (i) Five Year Plan : Nil  
(ii) ADP : Nil

## 7. Financing Arrangements:

- (a) Local cost amount and source : Tk.18.5 (UNDP Grant)  
(b) Foreign exchange amount and source : Tk.28.0 (UNDP Grant)

8. Project Components

Component	(Lakh Taka)		
	Local	Foreign	Total
(i) Consultancy Services			
(a) External	-	27.0	27.0
(b) Local, including surveys	18.0	-	18.0
(c) Printing of reports	0.5	1.0	1.5
(d) Total	<u>18.5</u>	<u>28.0</u>	<u>46.5</u>
	=====	=====	=====

9. Consultancy Elements

<u>Fields</u>	<u>No. of Consultants</u>	<u>Man month</u>	<u>Rate/ m.m</u>	<u>Total cost</u>
(i) Senior Sanitary Eng.	2	6	3.0	18.0
(ii) Sanitary Engineer	9	36	0.5	18.0
(iii) Financial Analyst	1	2	3.0	6.0
(iv) Economist	1	1	3.0	3.0
Total		<u>26</u>		<u>45.0</u>

10. Outcome of the Project.

- (i) Water supply and sanitation sector development program for Third Five Year Plan based on analysis of possible development options;
- (ii) Planning framework for water supply and sanitation project in upazila centres;
- (iii) Design for improvement sector policies and strategies to make the sector financially viable; and
- (iv) Recommendation on improvement of sector operations.

11. (a) What other preliminary works on TA programmes in the same subject are had been implemented in the past: No sector study has been made in the past.
- (b) If TA preliminary work on program already implemented, give justification for the present project: Not applicable

12. How the outcome of the TA project is to be translated into future action program:

Study recommendation will be included in the Third Five Year Plan.

HEADS OF BUDGET FOR ANNUAL TA PROGRAM

<u>Sector</u>	<u>Name of Project</u>	<u>Total cost</u>	<u>Allocation</u>	<u>Source</u>
Physical Planning and Housing	Water Supply and Sanitation Study	46.5	Nil	UNDP Grant

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COPY OF LETTER SENT

May 24, 1984

Mr. Nurul Hoque  
Chief Planning  
DPHE  
Dhaka.

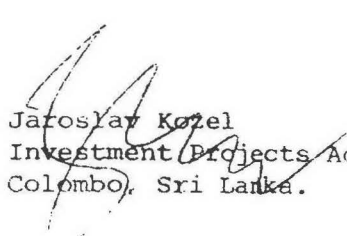
Dear Mr. Hoque:

I was very much encouraged finding that DPHE is prepared to start collecting data on the sector and on the status of water supply and sanitation in upazilas in particular. I agree with your excellent suggestion to request Mr. Wijeyaratne, WHO, Sanitary Engineer, to assist in this regard. He is a very experienced professional and his knowledge of the sector in Bangladesh will be a great asset for such a task. He will certainly have recommendations concerning a methodology for collection of information as well on the presentational format. On my part I would suggest that attention is focussed for the time being on 460 upazila centres. DPHE certainly needs to be able to identify for each upazila centre the name, location, number of existing and future population and indication of the type of local governing body (upazila, town, or pourashava). As much as possible the data should include information on water resources (whether shallow groundwater is available and what quality), currently existing facilities (piped system or number of wells) and estimated number of population served. The data should be presented in a tabulated format for easy checking which data are available and which need to be collected through proposed surveys. Similar reviews may be prepared for all districts if time allows. Sources of information may be DPHE files, particularly those on town water systems compiled by CDM; past or ongoing studies on piped water systems; the Urban Development Directorate; and UNICEF.

The sanitation status is certainly well known to Mr. Wijeyaratne to enable him to prepare similar reviews on that subject.

I believe that when completed such reviews will tremendously help in proper orienting the proposed sector study.

Sincerely yours,

  
Jaroslav Kozel  
Investment Projects Advisor  
Colombo, Sri Lanka.

June 4, 1984

Dear Sir:

Bangladesh - RAS/81/001 Assistance in Preparing  
Water Supply and Sanitation Project

We are pleased to send for your information our report on recent mission to Bangladesh, dated June 4, 1984. Please note that the report was prepared in the field and has not yet been approved by our management in Washington.

Sincerely yours,

Jaroslav Kozel,  
Investment Projects Advisor.

Attachments:

JK/aa

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Sri Lanka

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People's Bank Head Office Building  
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Colombo 2

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21410 INDEVAS CE

*Gross*

Ms. Carmen del Castillo

May 10, 1985

Richard N. Middleton, Project Manager INT/8L/047

Furniture for RAS/81/001

1. You have recently issued two memoranda to files summarizing discussions about disposal of the office and domestic furniture of the RAS/81/001 team in Sri Lanka and the transfer of certain items from INT/81/026 to the new RAS/81/001 office to be opened in Bangkok. Comments received after these memoranda by various people suggests that the procedures you outlined are not in fact in accordance with strict UNDP regulations, and I am issuing this memorandum in an attempt to reach a consensus on the appropriate next steps.

2. The official position is that furniture, both office and personal, once purchased by UNDP funds, belongs to UNDP/Government and cannot be disposed of without the express consent of UNDP. Therefore, as far as the Bangkok office is concerned (your memorandum of April 24), UNDP/DGIP, as the funding unit responsible for INT/81/026, would have to give its approval for the transfer to RAS/81/001. Mr. Arlosoroff should approach Mr. Potashnik, DGIP, for this approval. However, you should be aware that INT/81/026 may have to maintain its office in Bangkok if it proves impossible to open one in Beijing. In this case, the furniture would not of course become surplus. It is hoped that this can be resolved before Mr. Bruestle goes on his reconnaissance mission to Bangkok.

3. Once it is clearly established that the INT/81/026 office in Bangkok is closed, then, in making the final arrangements for this transfer, there are two additional matters to be taken into account. Firstly, UNDP/RBAP feels strongly (see my memorandum following my meetings with them in New York on March 14) that RAS/81/001 should not purchase office furniture: they consider that the Bank should make efforts to ensure that adequately furnished office accommodation is made available at no cost to the project (this does not extend to office equipment, which may be purchased from RAS/81/001 funds; I clarified this with Ms. Miller, RBAP, on May 3). You should therefore calculate a new schedule of items to be transferred which excludes office furniture, and which distinguishes between office equipment on the one hand (charged to the "Equipment" line) and home furniture and furnishings on the other hand (charged as part of the "Expert" costs). I understand from Mr. Bruestle that AEPW has agreed to meet the depreciated costs of the office furniture, to resolve the problems of funding this transfer, and you should discuss with them the mechanisms for the transfer of funds to INT/81/026. Secondly, we should not proceed with any transfer



affecting the next stage of RAS/81/001 until such time as (a) the extension has been approved by UNDP/RBAP (as noted in my memorandum to you dated April 30) and (b) Mr. Bruestle has cleared all the arrangements with the Bank's Resident Mission in Bangkok, which he will do during his upcoming mission.

4. In relation to the office furniture and equipment and domestic furniture in Colombo (your memorandum of March 15 and Mr. Kozel's memorandum to me dated March 29), we need to obtain the formal approval of UNDP/RBAP to dispose of the furniture through auction. RBAP would normally grant this permission only after contacting RRUNDP to confirm that UNDP did not require these for their own use. In this case, Mr. Kozel has already been in contact with RRUNDP, but no formal telex has been sent by RRUNDP to RBAP. You should send a telex to Mr. Kozel as soon as possible asking him to ensure that RRUNDP sends a "no objection" telex.

5. Your memorandum also says that you have instructed Mr. Kozel to transfer the proceeds of any auction, after conversion into dollars, into a World Bank account. My understanding is that the proceeds would normally be credited to UNDP's account in Colombo, in local currency, and that UNDP would credit RAS/81/001 through the normal Inter-Office Voucher system (which would ensure an automatic conversion into a dollar credit to the project account). This procedure should be cleared with Contoller's Department staff and Mr. Kozel advised accordingly.

Cleared with and cc: Mmes. Trask, ASPED; Severski, LOATF;  
Messrs. Bruestle, AEPW; Mr. Fisher, AEPTA  
cc: Messrs. Sud, AEPW; Sandstrom, ASPW; Arloseroff, Gross, WUD;  
Kozel, RAS; Banfi, LOA

RNMIDDLETON/baw

BANGLADESHNOTE ON WATER SUPPLY AND SANITATION SECTORPopulation

1. According to unadjusted 1981 census findings, Bangladesh had a population of 87 million, of which rural, living in 20,000 and 65,000 villages of less than 50 or more households, respectively, represented 86% (74.8 mil.). The remaining 12.2 million (14%) was urban, living in four metropolitan cities, 78 municipalities (pourashavas), 45 "other urban areas" and 460 thanas (upazilas). <sup>1/</sup> In cities and pourashavas were 9.3 million, while in remaining urban centres were 2.9 million. The average annual growth rate in the period between 1974 and 1981 was 2.36%. Urban growth was over 6%. The adult literacy rate was 26% and the GNP (1981) was US\$120 per capita.

2. Population projection is estimated as follows:<sup>2/</sup>

	<u>Rural</u>		<u>Urban</u>		<u>Total</u>
	<u>Mill.</u>	<u>%</u>	<u>Mill.</u>	<u>%</u>	<u>Mill.</u>
1981	74.8	86	12.2	14	87 (90) <sup>3/</sup>
1985	82.6	85	15.4	15	98
1990	87.4	81	20.6	19	108
1995	90.4	77	27.6	23	118
2000	91.0	71	37.0	29	128

Water Supply and Sanitation Targets

3. The Government targets set up within the International Drinking Water Supply and Sanitation Decade expect to provide adequate services to the following population:

- <sup>1/</sup> Thanas are currently upgraded to upazilas through strengthening of staff, provision of administrative buildings etc. Upgrading was completed in February 1984.
- <sup>2/</sup> Statistical Yearbook of Bangladesh 1981 for total projections and mission estimates for urban growth (6% annually).
- <sup>3/</sup> Adjusted total - The Preliminary Report on Bangladesh Population Census 1981

	<u>1980</u>		<u>1985</u>		<u>1990</u>	
	<u>mill.</u>	<u>%</u>	<u>mill.</u>	<u>%</u>	<u>mill.</u>	<u>%</u>
Urban Water Supply	2.6	26	5.8	38	12	58
Urban Sanitation	2.0	21	3.9	25	10	50
Rural Sanitation	0.7	1	3.3	4	11	13
<b>Rural Water Supply:</b>						
- Number of operational wells	400,000		540,000		890,000	
- Statistical average of rural population per well		185		155		95
- Probable beneficiaries assuming 10 households or 75 persons/well <u>1/</u>	30.0	41	40.5	49	67.3	77

4. The standard of services to be provided include a mix of piped systems and handpump/wells for urban water supply, handpump/wells for rural water supply, and low cost latrines for both, urban as well as rural sanitation. Piped sewerage systems may be considered for central parts of Dhaka and Chittagong. Implementation is being done through the second (1980-1985) and the Third Five Year Plans.

#### Institutions

5. Bangladesh is administered through four Divisions (Dhaka, Chittagong, Khulna and Rajshahi), each headed by a Divisional Commissioner, further divided into 64 Districts, <sup>2/</sup> 460 Upazilas and 4365 Unions, each headed by a Deputy Commissioner, an Upazila Nirbahi Officer and an Union Parishad, respectively. Incorporated in districts and upazilas but functioning as separate units are the pourashavas, which report to the Ministry of Local Government, Rural Development, Cooperatives and Religious Affairs (MLG).

6. The agencies responsible for public water supply and sanitation are the Department of Public Health Engineering (DPHE), the Dhaka and Chittagong Water and Sewerage Authorities (WASA) and the pourashavas, all operating under MLG. The Ministry of Health is responsible through the Directorate of Medical Services for monitoring drinking water quality, through the Directorate of Environment Pollution Control for prevention of water resources pollution and through the Bureau of Health Education for increasing awareness of preventive health, including hygienic use of water and sanitation facilities.

7. DPHE is responsible for planning and construction of water supply, sewerage and sanitation facilities except in Dhaka and Chittagong, and for urban storm water drainage including the two major towns. It also maintains rural

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1/ Ultimate goal stated in the Country Report Bangladesh on the International Drinking Water Supply and Sanitation Decade 1981-1990; MLG, October 1980, shown for comparison of ultimate goals with gradual improvement.

2/ Initial number of 20 Districts was recently increased to 64 while 71 earlier sub divisions were eliminated.

water supply and drainage. Urban water supply is operated by WASAs and pourashavas. Sanitation facilities are maintained by users, possibly with assistance from the pourashavas in urban areas.

8. DPHE, headed by a chief engineer, comprises of five regional circles, located in Dhaka, Chittagong, Khulna, Rajshahi and Barisal and two support circles, Planning and Stores. These are headed by superintending engineers. Further organisational units supported by workshops, stores, transport and technical staff are Divisions, Sub-divisions and Upazila, headed by executive engineers, sub-divisional engineers and sub-assistant engineers respectively. It has a 3,500 member permanent staff including 600 engineers. Development projects are executed by contracts while DPHE is usually providing imported materials. Maintenance is provided through DPHE's direct labour.

9. Responsibility for providing water supply and sanitation services and the powers to collect charges in towns and upazilas are stipulated in the Purashava Ordinance of 1977 and Thana Parishad Ordinance of 1982, respectively. The functions are carried out by the Water Supply and the Health and Sanitation Units in pourashavas and the Public Health Section in upazilas. The Water Supply Unit is headed by a waterworks superintendent, supported by plant operators, fitters and labourers. The Public Health Section is headed by the sub-assistant engineers supported by mechanics and other staff (all seconded from DPHE). Billing and collection is the responsibility of the Tax Collection Section.

10. Improvement of the infrastructure such as roads, drainage, upgrading of slums, sanitation, solid waste disposal, etc., in pourashavas is assisted by government grants (Urban Works Program). Technical advice in planning and implementation is provided by the Construction Wing of the Local Government Division, MLG. Within the current decentralization move the government intends to implement the low cost sanitation program by the pourashavas through the existing Urban Works Program.

#### Water Resources

11. Information about water resources is adequate for water supply and sanitation sector planning needs. Groundwater, suitable for water supply use exists over most of Bangladesh. In the low lying south it may be saline and in the eastern hills its distribution is not definitely established yet. Surface water sources are usually available where suitable groundwater is not.

12. To better control the surface and groundwater balance, the government recently decided to improve the inventory of water resources, the knowledge of their use, and the organisation of water apportionment between users by establishing the (Water) Master Plan Organisation (MPO) within the Irrigation, Water Development and Flood Control Division of the Ministry of Agriculture. Setting up of MPO's organisation, initial studies, collection and evaluation of data

started recently under UNDP financing<sup>1/</sup>. Within its TOR it expects also (a) to collect and compile data on all water supply and sanitation facilities; and (b) to formulate investment strategies, recommended policies and possible institutional changes for water supply and sanitation within the overall water sector plan. The final report on findings and recommendations will be completed by October 1985.

### Current Status of Service

#### (a) Rural Water Supply

13. The policy on rural water supply has so far been spelled out as a general statement of intentions not supported by deeper analysis. In practice it has recognized the importance of safe water for health and the low ability of rural impoverished masses to pay for it. On that basis water facilities have been provided from the government budget with only a minimal contribution from the user community. Since groundwater is available over about 80% of the country the handpump/well, which represents the least cost solution, is the main type of water supply. Within the last 15 years the government has steadily been improving -- by adding new wells -- the population per well ratio, pursuing the reduction of water carrying distance between user's home and the handpump as the main objective.

14. The program comprising construction of about 40,000 pumps/wells annually is being implemented by DPHE assisted by UNICEF<sup>2/</sup>. Besides external funds, UNICEF also provides considerable technical assistance for the management of the program. Financing is provided through the government budget, the user community and the UNICEF grant. The distribution of unit cost among financing sources is as follows:

<u>Financing Sources</u>	<u>Shallow well</u>			<u>Handpump on or</u>		<u>Deep well 3/</u>		
	<u>Loc</u>	<u>For</u>	<u>Tot.</u>	<u>(in US\$)</u> <u>%</u>	<u>Loc</u>	<u>For</u>	<u>Tot.</u>	<u>%</u>
User Community	20	-	20	7	40	-	40	4
UNICEF	6	144	150	50	6	594	600	52
Government (DPHE) <sup>4/</sup>	130	-	130	43	510	-	510	44
Total	156	144	300	100	556	594	1150	100
	===	===	===		===	===	=====	

The community contribution to DPHE is returned to the Government Treasury as general revenue.

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- <sup>1/</sup> Water Sector Master Plan, UNDP-BGD/82/023  
<sup>2/</sup> DANIDA provides part of funding through UNICEF  
<sup>3/</sup> Less than 500 units constructed annually  
<sup>4/</sup> Includes overheads

15. The public pumps/wells are maintained by DPHE (from the budget) through its field staff of about 1,600 pump mechanics 1/. Maintenance includes repair of about 15% of defective pumps, and rehabilitation of about 3% of defective (clogged) wells annually. Maintenance is assisted by UNICEF through provision of spare parts, transport and stores. Annual expenditures for pump/well maintenance is over Taka 30 million of which the cost of spare parts represents about Taka 10 million. In several districts DPHE is now experimentally introducing a system of selling spare parts to caretakers (representing the user groups). The results seem encouraging: the quantity of needed spare parts dropped to about 20% as compared to the earlier procedure when they were provided free. At the same time the number of operating pumps remained on about the same level.

16. The rural water supply program, includes supporting activities such as health education, training of pump caretakers and an element of research in areas of technology and sociology. Responsibility for site selection for new pumps/wells lies with the special committee comprising of technical and local administration representatives and functioning on the DPHE sub-division level. The selection is made by applying general criteria to individual conditions, the most important of which are, the pump/well must be located on public land, must be easily accessible by users, the carrying distance should not exceed 150m, and the users' group is established and required contribution is deposited.

17. In spite of the fact that calculations and assumptions on possible coverage may be grossly misleading, in the total absence of actuals the attempted estimate of the current coverage is as follows:

<u>A. Area with sweet shallow groundwater</u>	<u>1983</u>
(80% of the country area and even distribution of population)	
1. Rural population total	80.3 mil.
2. Rural population on 80% area	64.2 mil.
3. Estimated number of private wells	0.4 mil.
4. Population using private wells assuming that one well serves extended family or 2 households (14 persons)	5.6 mil.
5. Estimated population using irrigation wells for domestic purposes	<u>0.2 mil.</u>
6. Population using private wells - subtotal	<u>5.8 mil.</u>
7. Number of operating public wells	0.45 mil.
8. Statistical average of population/well	130
9. Population adequately served assuming 10 households or 75 persons/well	<u>33.7 mil.</u>
10. Population <u>not</u> adequately served	24.7 mil.

1/ In accordance with Thana Parishad Ordinance 1982 this staff reports for all activities to Upazila Nirbahi Officer (UNO). DPHE is responsible for providing UNO's with adequate and trained staff.

<u>B. Area with no sweet shallow groundwater</u>	<u>1983</u>
11. Rural population in the area	16.1 mill.
12. Estimated number of deep wells <sup>1/</sup>	10 thous.
13. Population adequately served assuming 450 persons/deep well <sup>2/</sup>	4.5 mill.
14. Estimated population served adequately by other sources such as shallow wells, springs etc.	1.5 mill.
15. Population adequately served	6.0 mill.
16. Population not adequately served	10.1 mill.
<u>C. Grand Total</u>	
17. Rural population adequately served (% of total)	39.7 mil.(49%)
18. Rural population not adequately served (% of total)	40.6 mil.(51%)

With all reservations to approximations in the estimated coverage and the loose definition of "adequate service" it shows that the service levels in areas with no sweet shallow groundwater are disproportionately lower.

18. Although achievements in rural water supply are currently remarkable, further continuation would need improvement in the overall planning as well as in policies. In the current form, the ongoing rural water supply program disregards users income levels and their ability to fully pay for provided services. It is also open-ended. It is difficult to evaluate the need and the extent for further improvements since the basic information about the number of people (a) using safe water for all domestic purposes; (b) having access but using safe water to a limited extent or not at all; and (c) having no access, including reasons is not monitored. As a matter of fact even the meaning of "adequate access" in a Bangladesh environment has not yet been clearly defined. The data on actual use is vital for any further planning and should be collected at the earliest date. It needs to include a review of use of all pumps/wells in the country; (in mid 1983 existed 0.5 million and 0.4 million public and private pumps/wells, respectively, and thousands of irrigation pumps/wells which also could be used fully or partially for domestic requirements). The selection criteria should also consider the users ability to pay, so that the program would address the poorest segment of the population instead of providing general coverage as at present.

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- 1/ Deep tubewells are used here to reach sweet water lying deeper than about 85m.
- 2/ The number of 450 persons/deep well as compared to 75 persons/shallow well (or six times higher) represents the current DPHE design parametre based on the high cost of the well. It is, however, not in proper relation to the cost per person since the deep well is only about three times more expensive than the shallow well. To reflect the cost difference the design parametre should possibly be about 225 persons/deep well.

## (b) Rural Sanitation

19. Similarly as in rural water supply, the policy in rural sanitation is recognising a need for an intervention. In 1950, the government with WHO assistance, developed a small demonstration project for low cost latrines which was followed in 1962 by a similar project assisted by UNICEF, providing about 160,000 latrines. The projects were not very successful since the technologies used were not appropriate, resulting in the disuse of a high percentage of the constructed facilities. Further continuation with different types of facilities in 1975 provided about 8,000 latrines and a follow-up project, the Village Sanitation Scheme, Phase I, in 1979 provided about 130,000 latrines. The ongoing Phase II aims at providing about 225,000 latrines by 1985. The objectives of these demonstration projects is to develop a technology suitable for Bangladesh in the rural setting and to popularize the use of sanitation facilities. The government plans to provide basic facilities with subsidized prices until the demand will allow the development of the market and a greater involvement of the private sector.

20. The Village Sanitation Scheme, Phase II is implemented by DPHE on the sub-assistant engineer (Upazila) level. Production centres, currently operating in about 55% of Upazilas, are manufacturing squatting slabs fixed with a water seal pan and a set of concrete rings for lining two pits. This set is sold to households that provide the superstructure and transport and arrange for the construction and digging of pits. The Upazila health staff advises the location of the facility and the type of superstructure. The distribution of the unit cost for (a double pit water sealed) latrine is as follows:

	Taka			
	Local	Foreign	Total	%
<u>Total cost of a latrine</u>	<u>600</u>	<u>150</u>	<u>750</u>	<u>100</u>
<u>Financing Sources</u>				
User/owner - Payment to DPHE <sup>1/</sup> for basic set	150	-	150	-
- Construction and Transport <sup>2/</sup>	250	-	250	-
- Subtotal	400	-	400	53
Government (DPHE) <sup>3/</sup>	200	-	200	27
UNICEF assistance	-	150	150	20

1/ Returned by DPHE to the Treasury as general revenues

2/ Including value of owner's work

3/ Depreciation of plant and tools of DPHE production centres is not included.



21. Currently, there is a sufficient demand for about 25 units produced monthly on an average by each of the 230 centres. Assuming that the production will continue with the same or greater output, the accumulated number of latrines produced by DPHE and in use by 1985 may reach about 430,000 units providing service to 5% of rural population or 1% more than expected in the Decade plan. Since this number does not include privately owned facilities the achievement is probably greater, however still grossly inadequate, considering the need for about 10 million units to ultimately provide each household with one. From this point of view the government Decade targets for rural sanitation, which are very low as compared with much higher coverage for rural water supply, have no rationale with regard to health objectives of both programs. It has been proven that the improvement of health can be achieved only when both services, i.e. safe water and adequate sanitation, are available. It is therefore recommended that the targets for both programs are revised, and a more balanced approach be developed within likely available financing.

22. The cost of a currently produced unit is high and accessible only to a fragment of wealthier farmers who would probably be able to pay the full cost. DPHE is aware of this and with WHO and UNICEF assistance is undertaking experiments to reduce the subsidy by initiating the production of slabs and rings by Union Councils (Parishads) on a self-financing basis, and in order to reduce the cost of the unit by using locally produced vitrified clay instead of concrete. Both experiments still need to be tested and evaluated. However, new ways need to be found to address only the poor with the subsidized program, leaving the rest to be supplied from the market. Further research is also needed to develop more types of latrines which would provide minimum service with a much reduced cost. The education of the population about the hygienic use of water and sanitation facilities has to be strengthened greatly. It should be considered as a very important and indivisible part of any investment activity in the sector.

#### (c) Urban Water Supply

23. Urban water supply is the responsibility of pourashavas, which should operate and maintain the facilities to adequate standards on a financially viable basis. Development of these facilities is assisted by the government through DPHE which arranges for planning, design and construction. The exceptions are Dhaka and Chittagong WASAs which have their own technical capabilities for the preparation and implementation of projects.

24. Beside the Dhaka and Chittagong systems, that are serving about 2.3 million people in 1982, piped water exists in 62 towns serving an additional 1.2 million, or in total 38% of the urban population <sup>1/</sup>. The standard of service is generally good in the two major cities but much lower in other towns where water is provided intermittently for several hours during the day and the systems are closed during the night. With a few exceptions, the systems consisting of

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<sup>1/</sup> Upazilas are not included here in total urban population because of their semi-urban character.

pumping, overhead reservoir and small diameter distributions systems are using groundwater as a source. A considerable quantity of water is wasted (over 60%) because taps on connections and standpipes have been removed by users to ensure supply. In general, all 62 systems are old, in need of rehabilitation and further expansion.

25. The development of urban water supply in Bangladesh is a major recipient of external aid. This is either available or now under consideration for 37 towns beside WASA's systems for which aid is provided by IDA. It currently leaves 88 towns, of which 25 have piped systems, with no development projects in the near future.

26. Water facilities are being expanded with external aid in the following towns:

- (i) Urgent repairs of production and distribution facilities in the metropolitan cities Khulna and Rajshahi were undertaken within the last two years with assistance from the Dutch Government. Expansion of the systems to supply about 60% of the population, who have no service, that were to follow, are now postponed and expected to be included in the Third Five Year Plan (1986-1990);
- (ii) Production and distribution facilities in five district towns (Barisal, Bogra, Comilla, Jessore, Mymensingh) will be expanded with assistance provided by the Asian Development Bank 1/. The completion of this recent project (ADB-I) was expected in 1985, however, the implementation is currently proceeding slowly;
- (iii) Upgrading of systems in four district towns (Bagerhat, Nawabganj, Natush, Satkhria) were recently completed under Dutch aid 2/. The aid is now extended for twelve more sub-divisional towns proposed to be implemented in two phases 3/. Completion of the first phase is expected in 1985;
- (iv) Feasibility studies to prepare projects for expansion of water supply in six more district towns (Rangamati, Noakhali, Sylhet, Kushtia, Patuakhali, Rangpur) will start shortly. UNDP agreed to finance the preparation of such studies for possible ADB financing and implementation (ADB-II) 4/
- (v) Production and distribution facilities in eight district towns (Feni, Sunamgonj, Narayanganj, Narsingdi, Kurigram, Gaibandah, Jenidah, Chuadengawil) be improved and expanded under aid from the Government of Japan. The studies are planned to be completed in December 1984.

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1/ UNDP financed feasibility studies under Project BGD/78/017

2/ Four central laboratories (in Khulna, Rajshahi, Comilla, Mymensing) for chemical and bacteriological water analysis were also completed under this aid.

3/ Phase I includes Brahman Baria, Chandpur, Cox's Bazar, Joydebpur, Munshiganj, Priojpur. Phase II has not been defined.

4/ Initially five more towns were also considered (Tangail, Jamalpur, Faridpur, Dinajpur, Pabna.)

27. Operation and maintenance standards of water supply outside of Dhaka and Chittagong are very low. The reasons behind this are complex, including poor management of porashavas, lack of trained and motivated manpower, shortage of foreign exchange for procurement of spare parts and shortage of local funds due to inadequate tariffs and ineffective collection. The government is aware of the situation and has instructed DPHE to assist the towns where new development is being undertaken in order to improve standards. DPHE is now focussing on training the pourashava staff, improving accounting, billing and collection and stressing health education in the selected towns. It is planned that DPHE's involvement will continue for three to five years after completion of the projects. However, the results of the recent activity are so far not encouraging, mainly because DPHE has no expertise in the management of public utilities and in accounting. It has not yet developed an adequate training program and lacks the training facilities, transportation and workshops.

28. The progress in urban water supply as compared with the Decade goals appears inadequate, even assuming that the development projects at hand could be completed by 1985. However, the current issue is not a real lack of external aid for expansion, but the urgent need for improvement of operations and maintenance standards. It is certain that porashavas are unable to improve services themselves without DPHE assistance. DPHE, which is basically oriented to development activity, is unable to effectively help them without first restructuring its own organization, expanding its expertise in additional fields and making supporting facilities available such as workshops, stores, training schools and transportation.

(d) Urban Sanitation

29. Not only is urban sanitation the least developed section of the sector but policies are also not clearly defined. There is only one sewerage system serving a part of Dhaka (about 0.5 million). The remaining urban population makes its own arrangements. DPHE estimated that in 1982 about 10% (1.25 million) were provided with water-sealed latrines and septic tanks, 10% (1.25 million) used bucket latrines, 5% (600,000) pit latrines, 35% (4.4 million) the most primitive surface latrine and 40% (5.0 million) had no facilities. The maintenance of Dhaka facilities is provided by WASA, elsewhere it is provided by individual owners and the bucket latrine systems are operated by pourashavas.

30. The government recognises that for the time being waterborne sanitation cannot be constructed because of high costs, therefore it has adopted a staged approach where a double vault watersealed latrine would form the first stage. This could be upgraded later by connecting vaults with waterborne sewerage systems. On its request, the UNDP/WB Technical Assistance Group (TAG) <sup>1/</sup> completed, in 1983, a feasibility study including construction of about 500 demonstration latrines in 10 sub-divisional towns to provide service to about 40,000. The study proposes the construction of new and the upgrading of existing

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<sup>1/</sup> UNDP/INT/81/026

latrines by contractors employed by pourashavas, who would borrow required funds, including elements for project administration from the government. Recipients are categorized on the basis of income levels and will be required to repay the full, half or one quarter of the cost, respectively, within 15 years with 10% interest. The remaining cost will be provided as a grant. Total cost is estimated at US\$ 3.5 million. The government intends to seek external assistance. The Swiss Development Corporation has been contacted in this regard. The second study for 51 Towns to be undertaken by TAG is expected to start in early 1984. It will include the construction of 9,000 demonstration latrines for which funds are earmarked by the government within its Urban Works Program (para 10). Construction of a small number of latrines is also included in the ADB assisted water supply project for five district towns (para 25) and the Dutch government assisted project for 12 district towns (para 25). However, in these instances DPHE will be the implementing institution.

31. An estimate of progress in urban sanitation as compared with the Decade targets is as follows:

	<u>1980</u> <sup>1/</sup>	%	<u>1982</u> <sup>2/</sup>	%	<u>1985</u> <sup>3/</sup>	%
Estimated urban population (mil.)	9.8	100	13	100	15.4	100
Population served by:						
(i) sewerage	0.4	4	0.5	4	0.7	5
(ii) septic tanks and pit latrines	<u>1.7</u>	<u>17</u>	<u>1.85</u>	<u>14</u>	<u>2.3</u>	<u>15</u>
Subtotal	<u>2.1</u>	<u>21</u>	<u>2.35</u>	<u>18</u>	<u>3.0</u>	<u>20</u>
(iii) bucket latrines	1.5	15	1.25	9	1.4	9
(iv) surface latrines } (v) non-served }	6.4	64	4.4	34	5.3	34
			5.0	39	5.7	37

Keeping in mind that the estimates are based on a limited sample and little knowledge of the general situation in the country they nevertheless indicate that the progress falls behind the Decade targets and also behind the natural growth of towns. In fact no urban sanitation project was undertaken from 1980, and those now in hand will only serve about 0.5 million, essentially after 1985. It is therefore important that the government gives greater attention to an accelerated improvement of urban sanitation.

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- 1/ Bangladesh Country Report prepared for the Decade by DPHE in October 1980  
 2/ DPHE estimates on basis of TAG findings in 10 former sub-divisional towns  
 3/ Mission estimates.

Urban Drainage

32. Surface (storm) water drainage is an important part of the urban infrastructure, since the majority of the country is flat and generally flooded during monsoons. The responsibility for drainage is divided between pourashavas which provide and maintain open channels along roads and DPHE, which provides and maintains additional piped systems. So far very few piped systems were constructed, the existing one are mainly in Dhaka (about 110 Km.).

33. The following new projects are being implemented:

- (i) improvement of drainage in five district towns included in the ongoing ADB assisted project (para 25); and
- (ii) studies for drainage improvements are being prepared for Chittagong under IDA financing within the proposed urban development project.

34. The rationale for the government to maintain the piped systems constructed through DPHE is currently being reviewed. It would appear more logical that the maintenance of all drainage should be financed by pourashavas, and Dhaka and Chittagong cities.

Conclusion

35. The sector agencies are working under considerable stress, the crushing shortage of funds and of trained and motivated manpower being among the major reasons. In spite of that they have succeeded in keeping the development in the sector moving. Progress in achieving the Decade targets is estimated as follows:

	<u>1980</u>		<u>1982</u>		<u>1985</u>		<u>Decade</u>	
	<u>Estimated Status</u>		<u>Estimated Achievement</u>		<u>Estimated Achievement</u>		<u>Targets</u>	
	<u>mil.</u>	<u>%</u>	<u>mil.</u>	<u>%</u>	<u>mil.</u>	<u>%</u>	<u>mil.</u>	<u>%</u>
Urban Water Supply	2.6	26	-	-	3.3	22	5.8	38
Rural Water Supply	30.0	41	45.5	57	52.0	64	40.5	49
Urban Sanitation	2.1	21	2.35	18	3.0	20	3.9	25
Rural Sanitation	0.7	1	-	-	4.3	5	3.3	4

36. The following factors are considered major constraints for future expansion:

- (i) the development of the sector is, for all practical reasons fully subsidized by the government budget, except WASAs. The Users' contributions are negligible. Since the operating agencies, i.e. the user communities and pourashavas are not generating adequate revenues for maintenance of the facilities, the government is also forced to finance running costs. Although in total the subsidy now represents a fraction of the annual budget, future requirements will grow to proportions which the budget will not be able to provide. A greater contribution to costs from users is therefore required; and
- (ii) the overall planning framework of activities in the sector, and clearly defined policies and strategies are inadequate. This is in the case of the rural water supply program which is open-ended and its effects are unevenly distributed over the country; programs for rural water supply and rural sanitation are grossly unbalanced; the supporting infrastructure and the "soft ware" for pourashavas' operation and maintenance of urban water supply is not available and definite plans to organize it do not exist; urban sanitation is far behind its targets. Also, full government involvement in urban drainage needs revision.

37. The Government realises a need to address these constraints and decided to assist DPHE in collecting a solid data base on sector status and preparing, on that basis, a long term development program of the water supply and sanitation sector. A special emphasis will be given to improving services in upazila centres, which is now one of the government's priorities. This task will be undertaken in the form of a sector study to be prepared jointly by a special team of consultants and DPHE. Financing of the study by UNDP is being considered.

Prepared by J. Kozel under UNDP/World Bank activity RAS/81/001 -

Preparation of Water Supply and Sanitation Projects in October 1983  
and updated in May 1984.



INTERNATIONAL DEVELOPMENT  
ASSOCIATIONINTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENTINTERNATIONAL FINANCE  
CORPORATION

## OFFICE MEMORANDUM

05:18/1

TO: Mr. P. Patel, Chief, AS2IN, Room D-8-005      DATE: October 12, 1987

FROM: Arthur Bruestle, Project Manager, RAS 81/001

SUBJECT: RAS 81/001, Extension Phase

1. Here is a first cut at activities and manpower needs for RAS 81/001 for the period 1988-1989. Work for 1990 is too far out to list but the same annual level of manpower would be suitable for estimating. I did not include Burma and countries west, Terry Hall would best give you that.

2. Please share this with Howlett, Berna, Ecevit, Jeurling and Sabeti. After Berna digests and discusses it with the Chiefs, he and I can talk on the phone or exchange faxes about it. I will be in Bangkok one day, October 19, between missions.

3. If we add another professional (and/or move Terry Hall here) we will need to add one secretary per professional. That may sound like a lot but it is not considering the nature of our business. Almost all of our work is outside Thailand and rapid communications by letter, fax and phone are essential. We write lots of letters, telexes, draft proposals and terms of reference, and we hire consultants and arrange for trainees to attend foreign courses, all of which requires a lot of administration. Amara, for example, is going at high speed all day long. The all-inclusive annual cost of a secretary is about \$9,500.

4. Other possible cost items are a car and a computer/word processor. At present the Bank provides a van, but it is uneconomical to operate and difficult to drive in Bangkok. A moderately price Toyota would be suitable and sellable at minimal loss when the project closes down. It would cost about \$13,000, and could be resold at a loss of about 10% per year. For the computer/word processor we should budget about \$5,000.

5. In the previous project document we included computers which were provided as grants to countries participating in the LWUA CAD courses. This time around I suggest that we budget for 10 units for China, Malaysia 3, Laos 1, Vietnam 3.

6. Previously we also budgeted and paid to send trainees to foreign courses. The cost is about \$2,500 per trainee-course. I suggest we budget for 20 units for East Asia countries, probably the same number for South Asia for a total of 40.



0578/2

China

- C.1 Grand Canal, Jiangu Province. Monitor study by Dutch funded consultants and bring project to preappraisal stage.
- C.2 Beijing-Tianjin water resources. Assist in study formulation, procurement of TA, and management of studies. If project identified, bring it to preappraisal stage.
- C.3 Fen River, Shanxi Province, arrange TA and assist in management of studies, bring project to preappraisal stage.
- C.4 Guangdong Province, Pearl River. Prepare study framework, secure TA and assist in management of studies.
- C.5 Jilin Province. Prepare study framework, secure TA and assist in management of studies.
- C.6 Computer for design and financial analysis. Two workshops and software development.
- C.7 Miscellaneous.

Indonesia

- I.1 Water resources cum river basin planning.
- I.2 Rural water supply and sanitation as part of Health III project.
- I.3 Unidentified.

Laos

- L.1 Sector development, and cooperative link with Thailand.

Malaysia

- M.1 Training course in water supply technology (using training materials developed earlier by RAS for PWA Thailand).
- M.2 Course in computer aided design.

Philippines

- P.1 LWUA, develop financial analysis and billing software.

0578/3

Thailand

- T.1 Rural sanitation, preparation of Action Plan.
- T.2 Municipal wastewater, preparation of planning manual.
- T.3 Preparation of wastewater projects in selected municipalities.
- T.4 PWA, assistance in preparation of corporate plan and WB investment cum TA package.
- T.5 Chao Phya River, assistance (to TDRI) in developing strategy for managing Bangkok wastewater and controlling pollution of Chao Phya River.
- T.6 Facilitation of twinning arrangement between PWA and British water agencies, to be funded by British Council.

Vietnam

- V.1 Hanoi water supply advisory services.
- V.2 Hanoi waste water, identification and prepare study framework.
- V.3 Sector development, advisory services.
- V.4 Course in computer-aided design.

0578/4

RAS 81/001 Manpower Needs (mm)  
 Period January 1988 - December 1989

Activity Number	RAS Staff	RAS funded		Bi-lateral funded	
		Local Consultant	Foreign Consultant	Local Consultant	Foreign Consultant
C.1	2		2		70 (Dutch)
C.2	3		4		100
C.3	2		2		30 (ADB)
C.4	3		4		70
C.5	1		3		70
C.6	1		3 (LWUA)		
C.7	3		3		
I.1	4	6	6		
I.2	2			6	48 (Dutch) <u>1/</u>
I.3	2		2		
L.1	3		6 (Thai)		
M.1	2		3		
M.2			4 (LWUA)		
P.1	1		4 (LWUA)		
T.1	1			4	2 (GTZ)
T.2	2			12	6 (GTZ or Dutch)
T.3	2			24	18 (Dutch)
T.4	1	6	6		
T.5	2		6		
T.6	1/2				10 (UK)
V.1	3		2		NA (FINNIDA)
V.2	3		4		30
V.3	2				
V.4			2 (LWUA)		
Miscellaneous			12		
Administration	2 1/2				
Total	48		78 (of which 19 LWUA and Thai)		

1/ Indicate likely sources, but not necessarily commitments.

PROJECT STRATEGY AND GOALS

PEOPLE'S REPUBLIC OF CHINA

Phase I

1. The Project began serious operations in China only in 1985, and from that time has concentrated primarily on large-scale water pollution control projects focussed on several major river basin systems threatened by industrial and/or human wastes. The main effort of the Project has been to assist the Government in obtaining external funds for the completion of feasibility studies and detailed design of 9 projects, whose combined capital costs (still to be funded) total approximately US\$ 1 billion. The Project's main counterpart agency has been the Ministry of Urban and Rural Reconstruction and Environmental Protection (MURCEP).

2. In addition, the Project has worked to some extent with the National Patriotic Health Campaign Committee (NPHCC) in the preparation of several small-scale rural water supply projects and technical assistance activities, mainly in the field of training, for external donor support. Details of the Project's activities in PRC can be found in the Report of the Evaluation Mission fielded in April 1987, Annex H.

Phase II

3. During the next phase of the Project (1988-1990) it is proposed to shift the direction of project activities in China towards the improvement

of drinking water supply and sanitation systems in small towns and surrounding rural areas which can be planned and constructed with domestic resources, the only feasible source of investment funds on the scale needed in China. These activities will be concentrated on the less developed hinterland provinces which do not have the potential for earning the foreign exchange needed to repay foreign loans, as required under Government policy. The tentative list, subject to further consultations with national and provincial authorities includes Gansu, Szechuan, Yunan, Guizhan and Ningxia Provinces. The main counterpart agency will be the National Patriotic Health Campaign Committee and its country-wide network of Provincial, County and Local branches.

4. In the 4 or 5 Provinces selected, the main emphasis will be on collaboration with Municipal and County sector authorities in the design and implementation of integrated, low-cost drinking water and sanitation systems for small towns and adjacent rural areas which can serve as prototypes and models for replication on a wide-scale with domestic capital funding. Two such projects in each selected Province are planned.

5. Organization of these projects will involve:

(a) Development of implementation models adapted to local conditions and which are suitable for local operation and maintenance;

(b) Advice and training of municipal and county sector staff in project preparation and design; appropriate technology

*selection; and systems management, operation, and maintenance.*

- (c) Development of appropriate institutional frameworks and organizational methods based on maximum local responsibility for constructed systems.
- (d) Such Provincial and County sector reviews and studies as are required for strategy planning and investment programming by the concerned authorities;
- (e) Exchange of experience among the Provinces selected for demonstration work, and between them and other Provinces through dissemination of documentation and inter-Province workshops.

6. In addition to the above primary activities, the Project will continue to endeavor to mobilize the funding required for completion of feasibility and design work on priority water pollution projects identified during Phase I, as well as follow-up domestic and external investment finance.

7. In the implementation of Phase II activities, the Project will work closely with field staff of the interregional projects on Community Water Supply and Low-Cost Sanitation, as well as with the International Training Network and its affiliated Chinese institutions. A staff member of the Community Water Supply project is already in post in China. Discussions have been initiated with the Government for the funding of a national water or sanitation professional from China's UNDP Country IPF.

1 1 WUDWS

UNDEVPRO, MANILA, PHILIPPINES FOR FRISMARK. INFORMATION COPY TO  
HEBERT OF RAS/81/001, PLEASE. WE AGREE YOUR ENGAGING BINAG ON  
CONTRACT THROUGH INSTEAD OF THROUGH SPECIAL SERVICES AGREEMENT  
AS WE HAD AUTHORIZED IN OUR PREVIOUS TELEX. REGARDS, RICHARD  
MIDDLETON, INTBAFRAD.

TELEX

RCA 722-22250

June 11, 1985

RAS/81/001

BGross:pd

61472

Richard N. Middleton

WUD OPS UNDP



# Record Removal Notice



<b>File Title</b> United Nations Development Program [UNDP] Project RAS/81/001 - Memos / Letters - 1984 / 1985		<b>Barcode No.</b>  30146426		
<b>Document Date</b> December 28, 1984	<b>Document Type</b> Memorandum			
<b>Correspondents / Participants</b> To: The General Manager From: Planning/Eng'g.				
<b>Subject / Title</b> Reimbursable Agreement for LWUA Staff Support to UNDP Project RAS/81/001				
<b>Exception(s)</b> Personal Information				
<b>Additional Comments</b>		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.</p> <table border="1"><tr><td><b>Withdrawn by</b> Shiri Alon</td><td><b>Date</b> May 18, 2016</td></tr></table>	<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016
<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016			



The World Bank/UNDP-RAS/81/001  
Regional Asia Project Preparation Unit

## OFFICE MEMORANDUM

TO: Carlos C. Leaño, Jr., General Manager, LWUA                      DATE:

FROM: Paul V. Hebert, Regional Advisor

SUBJECT: Reimbursable Agreement for LWUA Staff Support to  
UNDP Project RAS/81/001

1.            In my Memo to you of December 14, 1984, we requested that LWUA provide the services of a research assistant and a secretary for the World Bank/UNDP Project RAS/81/001 on a contract basis with the World Bank. I attach for your consideration standard "Reimbursable Agreements for Provision of National Staff" for Mr. Allen Lowe (Research Assistant Post) and Ms. Merlyn Lopez (Secretary) to cover the period January 1, 1985 to June 30, 1985. Attached also are terms of reference for each of the position.

2.            I would be most appreciative if the details of reimbursable amounts based on standard LWUA procedures are included in the agreements and signed by January 4. I will leave for Washington, D.C. on January 5 and I would like to hand-carry the document with me.

---

PROJECT OFFICE:  
LOCAL WATER UTILITIES ADMINISTRATION  
P. O. BOX 319 AC  
BALARA, QUEZON CITY  
PHILIPPINES  
CABLE: LOCALWATER

UNDP  
P. O. BOX 7825 ADC  
PASAY CITY, METRO MANILA  
CABLE ADDRESS: UNDEVPRO, MANILA  
TELEX: RCA 7222250  
EASTERN 63696

The World Bank/UNDP—RAS/81/001  
Regional Asia Project Preparation Unit

MEMORANDUM

December 21, 1984

To: CARLOS C. LEAÑO, JR, General Manager

From: PAUL V. HEBERT, Regional Advisor PVA

Subject: Terms of Reference for Engineer Allen Lowe for  
Services to UNDP Project RAS/81/001

- 
1. Mr. Allen Lowe will be attached to UNDP Project RAS/81/001 for the period January 1, 1985 to June 31, 1985. During this period, he will be under my direct supervision and will carry out duties as directed by me as per this terms of reference.
  2. He will modify or enhance computer programs for loop network design, branch network design, sewer network design, linear regression analysis, and others as directed.
  3. He will assist in preparation of user instructions or modification of existing user instructions for the computer programs.
  4. He will assist in preparation of training materials and assist in training activities as requested. As a part of training activities and technical assistance of RAS/81/001, Mr. Lowe may be called upon to travel outside of the Philippines to one or more countries in the Asia Pacific Region. In such case, LWUA will be notified of proposed travel far enough in advance to arrange for his PASSPORT and Philippine government clearance. UNDP/World Bank will arrange for mission clearance, necessary VISA's and will pay costs of travel and subsistence at standard UNDP per diem rates for the particular country.
  5. Mr. Lowe will assist in data collection and analysis, conducting special studies and report preparation in conjunction with RAS/81/001 activities.
  6. He will also assist in management and maintenance of project equipment and materials.

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<b>Withdrawn by</b> Shiri Alon	<b>Date</b> May 18, 2016			

## OFFICE MEMORANDUM

TO: Carlos C. Leño, Jr., General Manager, LWUA                      DATE:

FROM: Paul V. Hebert, Regional Advisor

SUBJECT: Terms of Reference for Ms. Merlyn Lopez,  
Secretary to UNDP Project RAS/81/001

1. Ms. Lopez will be responsible for maintaining all project files, mailing and correspondence lists. She will be responsible for typing and proof reading all project correspondence, reports, papers and other documents.
2. She will also maintain the petty-cash account and keep up-to-date records of all disbursements from and deposits to the account.
3. She will also be expected to learn to use the Project Microcomputer for word processing and data management under the direction and supervision of Mr. Hebert and Mr. Allen Lowe.



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