



**Government of the People's Republic of Bangladesh
and
United Nations Development Programme**



**Project for the Government of the
People's Republic of Bangladesh**

Project Document

Project Title : Capacity Building for Management of Foreign Aid in Bangladesh

Project Number : BGD/04/017 **Award ID:** 00044673 **Project ID:** 00052620

Implementing Partner : United Nations Conference on Trade and Development
(designated institution .i.e. formerly executing agency)

Other Partners : Economic Relations Division, Ministry of Finance
(formerly implementing agencies)

Start date : September 2006 **Estimated end date** : February 2009

Management arrangement : Agency Implementation

GoB contribution through TPP:	
In Cash (Taka):	10,350,000
In Kind (Taka)	

Summary of UNDP and cost-sharing inputs [as per attached budget]	
Source of Fund	US\$
UNDP	
TRAC (1 & 2)	950,005
Cost Sharing	
-	Nil
Total	950,005

Brief Description

This project is designed to support the Government of Bangladesh in developing comprehensive and sustainable capacity to manage the external resource flows to the country, with a special focus on debt and aid. It will cover all institutions involved, primarily the Economic Relations Division (ERD) and the Bangladesh Bank. It will deal with the different categories of external debt and aid, including Government direct debt, the debt of the state enterprises and the private sector, short-term, as well as grants to the Government. The overall development objective of the project is to assist the central government to more effectively manage its external resource inflows and to strengthen its debt management process. The immediate objectives are: to broaden the coverage and reporting of debt and aid to Bangladesh; to enhance the Government's capacity to manage and analyze the country's external debt and aid situation and to develop and implement national debt management strategies.

Agreed by (Government): : Date 18/9/06
ERD, Ministry of Finance
M. Mokhles ur Rahman
Joint Secretary
Economic Relations Division
Ministry of Finance
Govt. of the People's Republic of Bangladesh

Agreed by (UNCTAD): : Date 08 OCT 2006

Agreed by (UNDP): : Date 08 OCT 2006

Renata Lok Dessallien
Resident Representative
UNDP-Bangladesh

Letter for the Government of the People's Republic of Bangladesh

Project Document

Project Title: Capacity Building for Management of Foreign Aid in Bangladesh

Project Number: UNDP/BG/2008/001

Implementing Agency: United Nations Development Programme in Bangladesh

Project Location: Dhaka, Bangladesh

Project Start Date: January 2008

Project End Date: December 2010

Project Budget: US\$ 1,000,000

Category	Amount (US\$)
Equipment	100,000
Travel	50,000
Consultancy	150,000
Other	700,000
Total	1,000,000

Component	Amount (US\$)
Management Systems	500,000
Human Resources	300,000
Information Systems	200,000

The project is designed to assist the Government of Bangladesh in developing a sustainable and effective capacity building strategy for the management of foreign aid. The project will focus on the following areas: (i) strengthening the institutional framework for the management of foreign aid; (ii) enhancing the capacity of government officials to manage foreign aid; and (iii) improving the transparency and accountability of the foreign aid management system. The project will be implemented over a period of three years, from January 2008 to December 2010. The project budget is US\$ 1,000,000.

Approved by the Government of Bangladesh: *[Signature]* **Secretary to Government**
 Date: 15/11/08

Approved by UNDP: *[Signature]* **UNDP Representative**
 Date: 18/11/08

Approved by UNDP: *[Signature]* **UNDP Representative**
 Date: 18/11/08

UNDP Representative
 Bangladesh

[Handwritten mark]

<p>UNDAF Outcome(s)/Indicator(s): <i>(Link to UNDAF outcome.. If no UNDAF, leave blank)</i></p>	
<p>Expected Outcome(s)/Indicator (s): <i>(Those that are linked to the project, are extracted from the CP and are linked to the SRF/MYFF goal and service line)</i></p>	<p>MYFF Goal 2: Fostering Democratic Governance SL 2.7: Public administration reform and anti-corruption</p> <p>Core Result 1: Broadening of the coverage of debt and aid monitoring to Bangladesh;</p> <p>Core Result 2: Improved production and analysis of aid and debt statistics;</p> <p>Core Result 3: Better aid and debt analysis and strategy formulation.</p>
<p>Expected Output(s)/Indicator(s): <i>(Those that are linked to the project, are extracted from the CP and are linked to the SRF/MYFF goal and service line)</i></p>	<p>ATLAS Outputs:</p> <ol style="list-style-type: none"> 1. Capacity of the Implementing Agencies, including FABAs, strengthened; 2. Human Resources Developed for sustainable debt and aid management; 3. Technical Support for debt policy and strategy. <p>Pool of Indicators:</p> <ul style="list-style-type: none"> • Number of portfolio review documents on the structure of external debt of and aid flows to Bangladesh produced; • Frequency of review on Status of External Debt and Aid To Bangladesh;. • Improved awareness of Government officials on debt analysis issues and methodologies. • DMFAS 5.3 installed at FABAs and Bangladesh Bank and is in use; • First debt strategy document prepared; • Database on government and government-guaranteed external debt available; • Frequency of monitoring of private sector external debt; • Number of officials trained on use of DMFAS, including data entry, report generation, and basic technical activities; • Number of manual/guidebook developed for collection, processing, validation and reporting of debt information.



Capacity Building for Management of Foreign Aid in Bangladesh

(BGD/04/017)

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Capacity Building for Management of Foreign Aid in Bangladesh

(BGD/04/017)

I. Context

1. Foreign aid remains an important component contributing to the economic development of Bangladesh. Aid flows have amounted to over US\$48 billion since independence in 1971, with annual disbursements to the Government averaging over US\$1.4 billion over the last five years. When aid flows through the NGOs are added, this figure increases to over US\$1.7 billion. The Government's development budget continues to be significantly dependent on aid flows and, although domestic financing has been increasing, the Government still relies for aid flows to finance over one third of these expenditures.
2. The loan/grant composition of such flows has been changing slowly, with the proportion of loans to the Government increasing from just over 40% in the early 1970s to almost two-thirds in last few years. This has resulted in the stock of Government external debt increasing to over US\$17 billion as of end-June 2004, or 47.1% of GDP. The total debt service amounted to US\$577 and the debt service ratio to 7.7% in FY2003-2004. The Government's external debt now accounts for over 160 per cent of exports of goods and services and 36% of GDP. It also translates into a Government external debt per capita of approximately US\$112, or almost one-third of the GDP per capita. The external debt portfolio now represents the largest financial portfolio in the country.
3. While these levels of debt and the ratios seem comfortable by conventional standards, the level of external debt is expected to increase considerably in the near future, with loans accounting for approximately 2/3 of the aid pipeline and the borrowings of the public sector expected to increase. Debt service is also expected to continue on its increasing trend. In addition, concern has been expressed about the levels of public sector short-term debt, which is presently unknown and the level of private sector debt, which is also unknown, but indications are that they are increasing.
4. At the international level, the last two decades of debt crises have shown that the long-lasting effect on countries slipping into a debt crisis can cause severe hardships on the population and disrupt growth paths. Furthermore, the South-East Asian debt crisis of the late 1990s showed that the debt does not have to be high by international standards, while the Mexican debt crisis in the early 1990s demonstrated that debt crises are not limited to external liabilities.
5. As a result, at both the international and domestic levels, there is a growing recognition of the increasing importance of debt-related issues in the economy. Countries are now seeking to adopt pro-active debt management strategies and modern risk management techniques to minimize the possibility of debt-related difficulties. Debt offices are being elevated and restructured and more attention is being devoted to strengthening the debt and aid management process.
6. In the Bangladeshi context, while substantive aid has been received to develop the country, relatively little has been directed to the improvement of the aid and debt management. The Government has recognised the need to strengthen the aid and debt management process,

and in the early-1990s embarked on a narrowly-focused two-year project to implement the United Nations Conference on Trade and Development's (UNCTAD) computer-based debt management system – the Debt Management and Financial Analysis System (DMFAS) – and to develop a comprehensive external debt database. This project was implemented by the Economic Relations Division (ERD) and was UNDP-supported. It was successful, as is demonstrated in the improvement and sustainability of ERD's flagship product – the annual statistical publication on the *Flow of External Resources into Bangladesh*.

7. However, even before the end of this project, the ERD recognised that the project was very limited in scope, being focussed on public sector external debt recording only excluding other external flows such as those to NGOs and the private sector. The ERD also acknowledged that no emphasis was placed on improving national capacity at the higher levels of public sector debt and aid management inclusive of analysis, debt policy and formulation and execution of debt strategy, and the enhancement of institutional capacity and co-ordination among the various units/institutions involved in debt and aid management.
8. As a result, in late-2002, the Government launched a comprehensive three-year project, much more ambitious in scope and objectives. This project – '*Capacity Building for Management of Foreign Aid in Bangladesh*' – was signed in November 1999 and was supported by the Norwegian Government. It had four main objectives:
 - 8.1. **Strengthening of the debt and aid recording process.** This would involve the implementation of the latest version of DMFAS in ERD and in bringing the external debt database up to date and functional. It would also involve capturing broader debt and aid flows to the country, including the development of databases on external grants to the government and private sector external debt. This would require the implementation of the DMFAS in Bangladesh Bank.
 - 8.2. **Development of a comprehensive and pro-active debt strategy for Bangladesh.** This would help define thresholds for sustainable debt levels inclusive of debt servicing, as well as optimal levels in terms of currency composition, interest rates, maturity profiles and the different sources of financing. It would also factor the debt of the parastatals and the private sector to ensure that these did not provide any destabilising influence on the economy. An overall debt strategy in the context of the overall external resource strategy and the domestic resource strategy, would have been developed and reviewed annually. The latest debt strategy software to complement the DMFAS would have been acquired.
 - 8.3. **Improvement of routine statistics and analysis,** including production of a quarterly publication on debt and aid flows and the improvement of *Flow of External Resources into Bangladesh*.
 - 8.4. **Development of a core cadre of officials** capable of effectively performing all debt management functions. In addition, a series of national awareness seminars directed to the most senior levels of the Government were to be conducted.
9. These objectives were divided into two stages: the first concentrating on objective 1 – data capture and database development on DMFAS, and the second stage was supposed to utilize the information generated in the first stage in the improvement/development of statistical publications, analysis and in debt strategy formulation.

10. ERD was the executing agency for this project, with the main participating agencies being the Bangladesh Bank and the NGO Affairs Bureau. UNCTAD was the technical cooperating agency.
11. However, after one year of effective implementation, the project was closed in October 2003, due to substantive differences between the donor and the Government over financial and administrative issues.

Status of Project on closure

12. On closure, the project had one year of actual implementation, but in terms of progress, closer to nine months. Training activities had commenced and the DMFAS, version 5.2, was installed in the ERD and Bangladesh Bank, and database development was progressing. The system was installed on dedicated workstations for use in the NGO Affairs Bureau, and was soon to be activated.
13. These developments occurred in the context of the slow and late recruitment of project personnel. The Chief Technical Adviser was in place for only one year. In addition, a National Financial Consultant, four Research Assistants and one Administrative Assistant were intended to support the project. The National Financial Consultant, who was to have been recruited for the duration of the project commenced duties in July 2003. Two of the Research Assistants commenced duties in August 2003. Two other Research Assistants and the Administrative Assistant were never recruited.

II. Strategy

14. The Government is very committed to continuing the strengthening of the aid and debt management process and to promoting transparency in this area. The areas of governance and human development are two of UNDP's key areas of intervention in Bangladesh, with special emphasis on transparency and accountability in aid management. UNDP, therefore, recognizing the significance of improving aid and debt management capacity in both these areas, will support the Government in the implementation of the project.
15. The fundamental objectives and outputs of the earlier project, '*Capacity Building for Management of Foreign Aid in Bangladesh*', are still very valid as the implementation period of the previous project had only lasted one year. The first set of activities relating to Objective 1, the implementation of the DMFAS in ERD and Bangladesh Bank, and in updating/development of debt and aid databases at these two institutions, was underway, however, the NGO Affairs Bureau is expected to be included in the future phase of the current project if adequate funds are available.
16. Although the objectives are still valid and will be continued in this project, the management arrangements will be different from the earlier project (see Section III).

Objectives

17. The overall development objective is:

To better meet the development needs of Bangladesh by more effectively managing the Government's external resource inflows and by strengthening its debt management process.

18. Four immediate objectives will contribute to this development objective:

- To broaden the coverage of debt and aid monitoring to Bangladesh.
- To promote the dissemination of comprehensive, consistent and timely information of debt and aid and to enhance transparency in debt and aid management.
- To enhance the Government's capacity to manage and analyse the country's external debt and aid situation.
- To develop, implement and routinise debt management strategy for Bangladesh.

The detailed outputs, success criteria and activities relating to these objectives are described in Annex 1. However, the output and indicators are to be revisited by the CTA during the inception period and sharpened further following the Results Management guidelines of UNDP. They are to be approved during the Inception Meeting of the project.

III. Management Arrangements

19. The immediate beneficiaries of this project will be ERD and Bangladesh Bank. ERD will be the main implementing agency, with the Bangladesh Bank being the co-implementing agencies. The Finance Division of MoF will be one of the main users of the debt data being generated by FABA, ERD.
20. The United Nations Conference on Trade and Development (UNCTAD) will be the executing agency and the technical co-operating partner. UNCTAD will be represented by UNDP, Dhaka. The project will therefore adopt UNDP's administrative and financial conventions. UNDP will administer and monitor all local expenses related to the project, following usual practices. A MOU will be signed, prior to the inception, between UNCTAD and UNDP, where Management & Accountability Framework will be specified.
21. A National Project Director (NPD) and a national Project Coordinator (NPC) will be appointed by the Government to undertake day-to-day management of the project.
22. In addition, because of the multi-institutional nature of the project, and in order to ensure effective implementation, a Working Group on External Debt and Aid Management and a Steering Committee on External Debt and Aid Management will be formed, in consultation with ERD, BB and UNDP.
23. The Working Group on External Debt and Aid Management (WG-EDA) will be responsible for monitoring the implementation of the project's activities and will make recommendations relating to the work programme and project activities. It will be chaired by the Additional Secretary (FABA/WB) or his absence the Joint Secretary (UN) or NPD, and will include representatives from the major institutions, agencies and units involved in debt management, as detailed in the draft WG-EDA terms of reference (Annex IV).

24. The Steering Committee on External Debt and Aid Management (SC-EDA) will be responsible for overseeing the project's activities and for giving overall direction to the project. It will be chaired by the Secretary, External Resources Division (ERD), Ministry of Finance, and in his absence the Additional Secretary II, ERD, and will include representatives from Bangladesh Bank, Board of Investment, the Implementation, Monitoring and Evaluation Division (IMED), Finance Division, ERD, UNDP and UNCTAD (which will be represented by UNDP, as required). Annex III provides details of the draft Terms of Reference for the SC-EDA.

25. The project will be supported by the following UNCTAD personnel:

- a project manager, who will be based at UNCTAD Headquarters;
- a Chief Technical Adviser for a period of eighteen (18) months, who will be based in Dhaka full time for the first 12 months, and who will then support the project for the remaining 6 months of assignment in Dhaka over three envisaged missions, in addition to providing support from Geneva, as appropriate;
- a Systems Analyst/Programmer, for a period of three (3) months to support the implementation of the DMFAS system versions and related technical training;
- three man months of DMFAS debt experts to support the Government in the areas of DMFAS training, debt statistics, and debt strategy training and formulation.

26. In addition to the NPD, the project will also be supported by the following national personnel, who will be assigned full-time to the project:

- a National Project Coordinator (NPC)- a counterpart official assigned by FABA
- one National Consultant
- two Research Assistant
- one Administrative-cum-Finance Assistant
- one Office Secretary-cum-Data Entry Operator
- one Driver-cum-Messenger

Annex V describes the draft terms of reference for the project personnel.

IV. Monitoring and Evaluation

Reports

27. Within the first three months of the start of the Project, a *Project Inception Report*, including a work programme (see section VII) will be prepared by the National Project Director with the assistance of the CTA and in collaboration with the WG-EDA. The Project Inception Report will take into account any developments which may have occurred since the Project Document was signed, notably the possible implications of the creation of a debt unit within the Finance Division. In particular, it will assess the suitability and continued relevance of the Project design in addressing the objectives of the Project; and propose any changes to the design (including the activities and work programme) of the Project. The draft Project Inception Report will be reviewed by the UNDP, the SC-EDA and UNCTAD, for clearance within three weeks of submission.

28. On a semi-annual basis, the National Project Director will submit to the SC-EDA, UNDP and UNCTAD a *project brief* (4-5 pages). This report shall include a profile of the project, describe the status of the project, including important milestones and an update of the input



and output indicators (e.g. activities implemented) and activities planned for the next period.

29. For the mid-term review, a report on the status of the project will be prepared by the Project Director, with the support of the CTA.
30. For each Annual Meeting the National Project Director will prepare, with the assistance of the CTA and in collaboration with the WG-EDA, an *Annual Progress Report (APR)*. The APR will be distributed to the SC-EDA, UNDP and UNCTAD no less than one month prior to the TPR. For the final evaluation meeting, the Project Director shall prepare a terminal report.

Evaluation

31. A work programme will be defined and agreed by all parties at the beginning of the project (see below). The progress of the project will be evaluated semi-annually against the work programme and against the success criteria defined for each objective, and any recommendations for alteration made to the SC-EDA which will meet at least once every six months. The National Project Coordinator will coordinate these meetings. Prior to the meeting, the Project Director will discuss with the implementing agencies and prepare, in collaboration with the WG-EDA, inputs in advance to the meeting.
32. The project will also be subject to *annual Tripartite Project Reviews (TPRs)* involving representatives from Government, UNDP and UNCTAD and will follow UNDP guidelines for their organisation. Such reviews may be called on a more frequent basis if considered necessary. The first will be undertaken no less than twelve months after the start of project implementation. The final TPR is to be conducted three months before the end of project operations, and its conclusions would feed into the elaboration of a follow-up project document, as required. For each TPR, an Annual Project Report will be prepared, as a basis for the TPR discussion.
33. In addition to the semi-annual reviews and the annual TPR, the project will be subject to a UNDP-organised *in-depth mid-term evaluation* prepared by a team of independent international and national consultants.

V. Legal Context

34. This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Bangladesh and the United Nations Development Programme, signed by the parties on 25 November 1986. The host country implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government cooperating agency described in that Agreement.

The following types of revisions may be made to this project document with the signature of the UNDP Resident Representative only, provided that he is assured that the Government has no objections to the proposed changes:

- Revisions in, or addition of, any of the annexes of the project document;

- Revisions which do not involve significant changes in the immediate objectives, outputs or activities of a project but are caused by the re-arrangement of inputs already agreed to or by cost increases due to inflation;
- Mandatory annual revisions, which re-phase the delivery of agreed inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility.

VI. Other considerations

DMFAS Maintenance Agreement

To help insure the long-term sustainability of the DMFAS installation within the Ministry of Finance, the Government will sign a DMFAS maintenance agreement with UNCTAD, a copy of which is attached as Annex VI. UNDP has agreed to cover the cost of the maintenance agreement, amounting to \$5,000 a year, during the course of the present project. The maintenance agreement will allow the Government to benefit from future DMFAS 5.x upgrades, as well as the helpdesk technical support provided by the DMFAS team from Geneva.

VII. Work Programme and Budget

35. The project is programmed to extend for two and a half years. The detailed draft work programme, specifying objectives, outputs and activities, will be one of the first activities to be undertaken by the CTA in the project's inception phase, in close collaboration with the National Project Director with the support of UNCTAD and UNDP and in collaboration with the WG-EDA. The work programme will be submitted to the SC-EDA when it is formed. The CTA will elaborate the work programme based on his/her evaluation of the local conditions prevailing at the time of the commencement of the project and by taking into consideration the final situation report written by the former CTA, Mr. Balliram Baball "*Status Report as of 30 September 2003*". The work programme will be reviewed and updated at a frequency to be determined at the project's inception phase.

36. The project budget is attached.



Project Budget covering UNDP Inputs
 Project Number: BGD/04/017/A01/40
 Programme Title : Capacity Building for Management of Foreign Aid in Bangladesh
 Country : Bangladesh
 Budget Type : UNDP TRAC
 Version/Status : A
 ATLAS Proposal Number: 000XXXXX
 Executing Agency : UNCTAD

ATLAS Code	Code	Description	Imp Agency	m/m	Total	m/m	2006	m/m	2007	m/m	2008	m/m	2009
	10	PROJECT PERSONNEL											
71200	11.01	INTERNATIONAL EXPERT	UNCTAD	18.0	297,000.0	4.0	66,000.0	8.0	132,000.0	4.0	66,000.0	2.0	33,000.0
71200	11.02	Chief Technical Advisor	UNCTAD	1.0	13,200.0			1.0	13,200.0				
71200	11.03	Financial Economist/Debt Expert	UNCTAD	1.0	13,200.0					1.0	13,200.0		
71200	11.04	Financial Economist/Debt Expert	UNCTAD	1.0	13,200.0							1.0	13,200.0
	11.99	SUBTOTAL - EXPERTS		21	336,600	4	66,000	9	145,200	5	79,200	3	46,200
	13	ADMIN. SUPPORT PERSONNEL											
71400	13.01	Research Assistant	UNCTAD	30	19,800	4	2,640	12	7,920	12	7,920	2	1,320
71400	13.01	Research Assistant	UNCTAD	30	19,800	4	2,640	12	7,920	12	7,920	2	1,320
71400	13.02	Admin cum Finance Assistant	UNCTAD	30	19,800	4	2,640	12	7,920	12	7,920	2	1,320
71400	13.03	Office Secretary cum data entry operator	UNCTAD	30	14,850	4	1,980	12	5,940	12	5,940	2	990
71400	13.02	Driver-cum-messenger	UNCTAD	30	13,200	4	1,760	12	5,280	12	5,280	2	880
	13.99	SUBTOTAL-ADMIN. SUPPORT		150	87,450	20	11,660	60	34,980	60	34,980	10	5,830
	15	DUTY TRAVEL											
74500	15.01	In-country Duty Travel	UNCTAD	-	5,300	-	1,300	-	1,500	-	1,500	-	1,000
	15.99	SUBTOTAL-DUTY TRAVEL		-	5,300	-	1,300	-	1,500	-	1,500	-	1,000
	16	MISSION COST											
71600	16.01	Evaluation	UNCTAD	-	25,000	-	-	-	-	-	-	-	25,000
71600	16.02	DMFAS Technical Expert Missions (3 missions)	UNCTAD	-	55,836	-	-	-	18,612	-	18,612	-	18,612
71600	16.03	DMFAS Supervisory Missions (2 missions)	UNCTAD	-	14,291	-	-	-	7,146	-	7,146	-	-
71600	16.04	Backstopping by Geneva-based Programme Manager (2 months spread over 30 months)	UNCTAD	-	26,400	-	-	-	13,200	-	-	-	13,200
	16.99	SUBTOTAL-MISSION COST		-	121,527	-	-	-	38,958	-	25,758	-	56,812
	17	NPPP											
71300	17.01	National Consultant	UNCTAD	36	82,500	4	11,000	12	33,000	12	33,000	2	5,500
	17.99	SUBTOTAL-NPPP		36	82,500	4	11,000	12	33,000	12	33,000	2	5,500
	19	PERSONNEL COMPONENT TOTAL		207	633,377	28	89,960	81	253,638	77	174,438	15	115,342
	20	SUB-CONTRACTS											
72100	21.01	Internal Networking	UNCTAD	-	4,000	-	4,000	-	-	-	-	-	-
72100	21.02	DMFAS Maintenance Contract	UNCTAD	-	15,000	-	-	-	5,000	-	5,000	-	5,000
	21.99	SUBTOTAL-SUB CONTRACTS		-	19,000	-	4,000	-	5,000	-	5,000	-	5,000

ATLAS Code	Code	Description	Imp Agency	m/m	Total	m/m	2006	m/m	2007	m/m	2008	m/m	2009
74500	32	GROUP TRG/STUDY TOURS/INT CONSULTATIONS											
74500	32.01	2 Study tours	UNCTAD	-	26,400	-	-	-	13,200	-	13,200	-	-
	32.02	3 Regional/International Conference/Workshops	UNCTAD	-	45,408	-	-	-	15,136	-	20,000	-	10,272
	33.99	SUBTOTAL-IN-SER. TRAINING		-	71,808	-	-	-	28,336	-	33,200	-	10,272
	33	IN-SERVICE TRAINING											
74500	33.01	Local Training/ Workshops/Seminars/Retreats	UNCTAD	-	13,200	-	4,400	-	4,400	-	4,400	-	-
74500	33.02	Local software training	UNCTAD	-	12,150	-	-	-	5,000	-	4,150	-	3,000
74500	33.03	Training on Latest versions of Oracle, network administration	UNCTAD	-	3,600	-	-	-	3,000	-	600	-	-
74500	33.04	Advanced training for computer officials of systems administration	UNCTAD	-	5,000	-	-	-	2,000	-	3,000	-	-
74500	33.05	Latest Version on Oracle Browser for FABA	UNCTAD	-	2,200	-	-	-	1,500	-	700	-	-
74500	33.06	Word and Excel and presentation software	UNCTAD	-	4,000	-	1,000	-	2,000	-	-	-	1,000
	33.99	SUBTOTAL-IN-SER. TRAINING		-	40,150	-	5,400	-	17,900	-	12,850	-	4,000
	39	SUBTOTAL- TRAINING		-	111,958	-	5,400	-	46,236	-	46,050	-	14,272
	40	EQUIPMENT & SUPPLIES											
72200	45.01	Non-expendable, including office supplies	UNCTAD	-	10,860	-	1,500	-	4,200	-	4,500	-	660
72200	45.02	Operation & Maintenance of equipment and vehicle	UNCTAD	-	13,750	-	300	-	5,200	-	6,500	-	1,750
72200	45.03	Servers (2) \$10,000 each	UNCTAD	-	22,000	-	-	-	22,000	-	-	-	-
72200	45.04	Workstations (20) with chairs (@ \$1850 each)	UNCTAD	-	40,700	-	40,700	-	-	-	-	-	-
72200	45.05	Printers (550x6)	UNCTAD	-	3,300	-	3,300	-	-	-	-	-	-
72200	45.06	Laptop (1)	UNCTAD	-	1,650	-	1,650	-	-	-	-	-	-
72200	45.07	multimedia (1)	UNCTAD	-	3,300	-	3,300	-	-	-	-	-	-
72200	45.08	Oracle products and maintenance agreements	UNCTAD	-	16,500	-	-	-	16,500	-	-	-	-
72200	45.09	Windows NT and LAN, updates and maintenance	UNCTAD	-	3,300	-	3,300	-	-	-	-	-	-
72200	45.11	Photocopier	UNCTAD	-	4,400	-	-	-	4,400	-	-	-	-
72200	45.11	Air conditioners (1,000x5)	UNCTAD	-	5,500	-	5,500	-	-	-	-	-	-
72200	45.12	Vehicle	UNCTAD	-	20,900	-	-	-	20,900	-	-	-	-
72200	45.13	Voltage Stabiliser (5)	UNCTAD	-	2,750	-	2,750	-	-	-	-	-	-
72200	45.14	UPS(6)	UNCTAD	-	6,600	-	6,600	-	-	-	-	-	-
72200	45.15	UPS (14)	UNCTAD	-	2,310	-	2,310	-	-	-	-	-	-
72200	45.16	LCD Panel	UNCTAD	-	2,750	-	2,750	-	-	-	-	-	-
72200	45.17	Cell Phone sets (4)	UNCTAD	-	1,100	-	1,100	-	-	-	-	-	-
	45.99	SUBTOTAL-LOCAL PROCURE		-	161,670	-	75,060	-	73,200	-	11,000	-	2,410
	49	SUBTOTAL-EQUIP. & SUPPLIES		-	161,670	-	75,060	-	73,200	-	11,000	-	2,410
	50	MISCELLANEOUS											
74100	52	REPORTING COST											
	52.01	Reporting Cost	UNCTAD	-	11,500	-	2,000	-	4,500	-	4,500	-	500
	52.99	SUBTOTAL-REPORTING COST		-	11,500	-	2,000	-	4,500	-	4,500	-	500
	53	SUNDRIES											
74500	53.01	Sundry	UNCTAD	-	8,000	-	500	-	2,500	-	3,000	-	2,000
74500	53.03	Fax and internet installation, including Charges	UNCTAD	-	4,500	-	500	-	1,500	-	2,000	-	500
	53.99	SUBTOTAL-SUNDRY		-	12,500	-	1,000	-	4,000	-	5,000	-	2,500
	59	SUBTOTAL- MISCELLANEOUS		-	24,000	-	3,000	-	8,500	-	9,500	-	3,000
	99	BUDGET TOTAL		207	950,005	28	177,420	81	386,574	77	245,988	15	140,024

2006	2007	2008	2009	Total
99,220	145,480	83,980	16,080	344,760
8,200	51,936	52,050	15,932	128,118
70,000	189,158	109,958	108,012	477,127
177,420	386,574	245,988	140,024	950,005

ATLAS COMPONENT 1
ATLAS COMPONENT 2
ATLAS COMPONENT 3

Capacity Building for Management of Foreign Aid in Bangladesh

(BGD/04/017)

Annex I: Detailed Objectives, Success Criteria, Outputs and Activities (Ministry of Finance, Bangladesh Bank)

INTRODUCTION

This document describes the Outputs, Activities and Success Criteria necessary to achieve the Objectives declared in the above-stated project.

For each Objective it elaborates:

1. The Success Criteria against which it is to be measured.
2. The Outputs necessary to achieve this Objective.
3. For each Output, the activities necessary to accomplish this Output.

These Outputs and Activities are subject to revision, as deemed necessary after any necessary consultation among the Government, UNDP and, UNCTAD.

The above will be complemented by a comprehensive Work Programme, which will be prepared at the commencement of the project, in order to detail the time-schedule for each activity. A separate Training Programme will also be prepared at that time, cataloguing all training activities in the project and their related time schedules. Both will be subject to periodic updates, depending on the progress of implementation in consultation with the three parties stated in the previous paragraph.

The project is to be implemented in the Economic Relations Division, Ministry of Finance, and the Bangladesh Bank.



OBJECTIVES, OUTPUTS AND ACTIVITIES

OVERALL DEVELOPMENT OBJECTIVE:

To more effectively manage the external resource inflows to meet the development needs of Bangladesh and to strengthen the debt management process.

IMMEDIATE OBJECTIVE 1

To broaden the coverage of debt and aid to Bangladesh.

Success Criteria:

DMFAS effectively installed in all relevant institutions.

Core group of officials with necessary skills to effectively use DMFAS.

Complete database, providing accurate, consistent and timely debt information, for government and government-guaranteed external debt.

Complete database, providing accurate, consistent and timely information on external grants to the Government.

Updated database on Government projects which are supported with external funds and the linkage to the respective loans and grants.

Systems in place for capture of private sector external debt, and commencement of development of database, as well as short-term external debt of the public and private sector.

Effective integration of these databases to provide comprehensive information on the total debt and aid situation of the country

Output 1.1.

Computer skills of officials and staff enhanced with respect to software packages in order to support operational activities and to complement DMFAS.

Activity 1.1.1.

Training programme on Computers, Windows, Basic Excel, Word for relevant staff and officials from FAB A and officials from ERD and other relevant institutions.

Activity 1.1.2.

Training programme on Intermediate Excel and Word and on PowerPoint for officials and Computer Cell, ERD officials and officials from other relevant institutions.

Activity 1.1.3.

Training programme on Networking for technical officials from ERD officials from other relevant institutions.

Activity 1.1.4.

Advanced training programme on Windows and on Internet, development of websites, including trouble-shooting.

Output 1.2.

DMFAS 5.3 effectively installed in FAB A, ERD and Bangladesh Bank, and Bangladeshi-specific software requirements identified

Activity 1.2.1.

Purchase of additional hardware and software for installation of DMFAS in FAB A and Bangladesh Bank

Responsibility: CTA/UNDP/Government

Activity 1.2.2.

Installation of DMFAS 5.3 and provision of DMFAS-related technical training in FAB A and Bangladesh Bank.

Responsibility: UNCTAD technical staff

Activity 1.2.3.

Installation of the latest version of DMFAS in FAB A and Bangladesh Bank in the second half of the project and provision of related technical training.

Responsibility: UNCTAD technical staff

Activity 1.2.4.

Evaluation of requirements of Bangladesh for modifications/enhancements to DMFAS, proposals made and certain requirements incorporated into DMFAS software update as necessary (relatively significant modification/enhancements not catered for in this project).

Responsibility: CTA/UNCTAD debt expert and technical staff

Output 1.3

Database on government and government-guaranteed external debt created and validated. Procedures developed for the collection, processing and validation of the above debt instruments.

Activity 1.3.1.

Review of information flow and storage systems on government and government-guaranteed external debt. Recommendations made for improvement. Implementation of recommendations.

Responsibility: CTA for review and recommendations, Government/Bangladesh Bank for implementation

Activity 1.3.2

All government and government guaranteed loans and transactions entered into DMFAS and validated against creditor records.

Responsibility: Government for data entry, CTA/Government for validation

Output 1.4

Database on government grants and projects created and validated. Procedures developed for the collection, processing and validation of the above.

Activity 1.4.1.

Review of information flow and storage systems on government grants and projects. Recommendations made for improvement. Implementation of recommendations.

Responsibility: CTA for review and recommendations, Government for implementation

Activity 1.4.2.

Entry of information on grants and projects into DMFAS 5.3 and project-related linkages to loans and grants. Validation of information on grants with donors. and projects with IMED.

Responsibility: Government for data entry, CTA/Government for validation

Output 1.5

Monitoring of private sector external debt improved.

Activity 1.5.1.

Two to three day workshop on private sector external debt, intended to review the experiences of the private sector in submitting information to the Bangladesh Bank and to take stock of current status with respect to private sector management/monitoring.

Responsibility: CTA/Bangladesh Bank

Activity 1.5.2.

Follow-up activities required with respect to support the effective reporting of information of private external debt to Bangladesh Bank (e.g. revision of forms, procedures, collection and storage of any additional data on private sector external debt, etc.).

Responsibility: CTA/Bangladesh Bank

Activity 1.5.3.

Continuation of development and validation of private sector external debt database on DMFAS 5.3, and procedures put into place for the updating and continued validation of private sector external debt.

Responsibility: CTA/Bangladesh Bank

Output 1.6

Monitoring of short-term external debt of the public sector improved.

Activity 1.6.1.

Evaluation of current status for monitoring short-term external debt of the public sector, including the suitability of DMFAS to monitor such debt instruments.

Responsibility: CTA

Activity 1.6.2.

Revision of reporting forms and procedures for the collection and monitoring of short-term external debt of the public sector, as necessary.

Responsibility: CTA/Government

Activity 1.6.3.

Collection of public sector short-term external debt information, and entry into DMFAS or another software.

Responsibility: Government/under supervision of CTA

Output 1.7

Various debt databases integrated.

Activity 1.7.1.

Examination of options for integration of databases from different installations and access of end-users, such as Finance Division, to the information. Recommendations to be made by UNCTAD .

Responsibility: CTA/Government and Bangladesh Bank

Activity 1.7.2.



Definition of updated responsibilities, development of improved operational procedures and formalisation of procedures by Government.

Responsibility: Government and Bangladesh Bank under guidance of CTA

Activity 1.7.3.

Purchase and installation of related equipment/software needed for linkage of databases.

Responsibility: UNDP/Government with DMFAS IT support

Activity 1.7.4.

National workshop on integration of databases and on management of integrated databases.

Responsibility: DMFAS IT/CTA

Activity 1.7.5.

Integration of databases from different installations, and training of IT and end users on the use and accessing of integrated information.

Responsibility: DMFAS IT/CTA/Government/Bangladesh Bank

Output 1.8

Officials trained on use of DMFAS, including data entry, report generation, and basic technical activities. data entry on and report, preparation from DMFAS 5.3 .

Activity 1.8.1.

Workshops on interpretation of loans and grants and related documents, including complex loan agreements, for officials from FABAB, Bangladesh Bank.

Responsibility: CTA

Activity 1.8.2

Workshops on DMFAS 5.3. data entry of loan and grant information, transactions, support information and on report preparation from DMFAS (to be delivered concurrently with DMFAS installation mission – activity 1.2.2).

Responsibility: DMFAS debt expert

Activity 1.8.3.

Workshop on data validation.

Responsibility: CTA

Activity 1.8.4.

Study tour to two/three countries actively using DMFAS/other systems, which have a comprehensive system of reporting and which use the DMFAS for their operational activities and to support analysis and, possibly which has integrated DMFAS with other systems.

Responsibility: UNDP/CTA

Activity 1.8.5.

Training on latest version of DMFAS, to be delivered concurrently with DMFAS installation mission – activity 1.2.3.

Responsibility: DMFAS debt expert

IMMEDIATE OBJECTIVE 2

To promote the dissemination of comprehensive, consistent and timely information of debt and aid and to enhance transparency in debt and aid management.

Success Criteria:

Reporting requirements from different government agencies identified and procedures established for routine supply of these reports.

Annual publication - 'Flow of External Resources Into Bangladesh Improved'.

More frequent publication on external debt and aid produced and disseminated for public consumption

Output 2.1

Improved reports on debt and aid management, with well-defined programme for dissemination.

Activity 2.1.1.

8-10 day workshop on the production of debt and statistics, incorporating factors which should be considered in the publication of debt and aid statistics. Other issues relating to the production of debt and aid statistics, latest international standards, and sample report formats will be addressed. The publication 'Flow of External Resources into Bangladesh' will also be comprehensively reviewed. Outputs of this workshop will be the proposals for the improvement of 'Flow of External Resources into Bangladesh' and other draft debt and aid bulletin/s.

Responsibility: CTA/DMFAS debt expert

Activity 2.1.2.

Follow-up activities relating to the improvement of 'Flow of External Resources into Bangladesh'.

Responsibility: CTA/Government

Activity 2.1.3.

Follow-up activities relating to the publication and routinisation of other debt and aid statistical bulletins, including use of DMFAS, dissemination of reports and routinisation of processes (e.g. quarterly reports).

Responsibility: CTA/Government/Bangladesh Bank

Output 2.2

Procedures manuals developed for collection, processing, validation and reporting of debt information.

Activity 2.2.1

Update of Procedures Manual for FABA.

Responsibility: Government under the supervision of CTA

Activity 2.2.2.

Development of Procedures Manual on private sector external debt for Bangladesh Bank.

Responsibility: Government under the supervision of CTA

IMMEDIATE OBJECTIVE 3

To conduct effective analysis of aid and debt.

Success Criteria:

Officials trained in conduct of different analytical exercises.

Senior Government officials would have become more aware of major debt and aid analysis issues and methodologies.

Portfolio review document produced.

Semi-annual review of external debt and aid produced and routinised.

Output 3.1

Skills developed for portfolio reviews and portfolio review documents on the structure of external debt of and aid flows to Bangladesh produced.

Activity 3.1.1.

5/8 day national workshop on conduct of basic analysis and the conduct of portfolio reviews and brief introduction to risk analysis. Issues relating to institutional responsibility for analysis will be addressed before this workshop to clarify responsibility for debt analysis, as necessary.

Responsibility: CTA/DMFAS debt expert

Activity 3.1.2.

First annual comprehensive portfolio review document on external debt of and aid flows to Bangladesh. This will contain a review of disbursements and undisbursed Government loan and grant funds. This annual document will deal mainly with the public and public guaranteed external debt and grant flows to the Government. Later documents would include private sector external debt and aid which flow through NGOs, if the data is available.

Responsibility: CTA/Government/Bangladesh Bank

Activity 3.1.3.

Second annual comprehensive portfolio review document on external debt of, and aid flows to Bangladesh. This annual document will include, as far as information is available, short-term external public sector external debt, aid which flow through NGOs, private sector external debt. It will also contain a review of all disbursements and undisbursed loan and grant funds, including relating to NGOs.

Responsibility: Government/Bangladesh Bank with minimal guidance from CTA

Output 3.2

Semi-annual (or more frequent) review on Status of External Debt and Aid To Bangladesh produced and routinised.

Activity 3.2.1.

Review of publications on routine analysis of aid and preliminary discussions on format and content of semi-annual (or more frequent) publication. Development of format and content of publication.

Responsibility: CTA/Government/Bangladesh Bank

Activity 3.2.2.

Production of first review of debt and aid flows and routinisation of review.

Responsibility: Government/Bangladesh Bank/CTA

Output 3.3.

Government officials better aware of debt analysis issues and methodologies and issues relating to legal, institutional and administrative arrangements for debt and aid management.

Activity 3.3.1.

Organisation of a ½-to-1 day seminar for senior officials, including ministers, secretaries, additional secretaries and joint secretaries on issues relating to debt and aid analysis issues.

Responsibility: CTA

Activity 3.3.2.

Organisation of two 1-day seminars for officials from different departments/units from different institutions dealing with debt/aid management or which use debt information, on issues relating to debt and aid analysis.

Responsibility: CTA

IMMEDIATE OBJECTIVE 4

To develop, implement and routinise debt management strategy for Bangladesh.

Success Criteria:

Techniques and methodologies for debt strategy formulation would have been disseminated.

Senior Government officials would have become more aware of major debt and aid management and strategy issues, the relative importance of debt management in the development of Bangladesh.

Debt strategy software would have been acquired and officials trained in its use.

Debt Strategy Technical Working Group would have been formed, and effectively involved in developing, revising and implementing debt strategy.

A medium-term external debt strategy document would have been drafted and submitted to Government for approval.

It would have considered the sustainability of the country's debt profile and the borrowing programme in the context of the current reform and development programme of the Government and in the current macroeconomic environment.

The role of external borrowing, including potential non-concessional borrowings would be placed in the context of overall external flows, including grants, as well as in the context of domestic resource mobilisation, the government budget and international realities.

Alternative external borrowing and external grant programmes, and alternative assumptions of economic growth would be considered and sensitivity analysis would be conducted with respect to variations in crucial variables such as exchange rates, relevant interest rates, terms of trade, pace of economic reform and economic growth rate.

As necessary, the strategy would also recommend appropriate borrowing programmes for the Government and the country which are consistent with the overall development programme of the Government, with the overall strategy for external and domestic resource mobilisation and with international realities. It would point the way to sustainable debt levels and the optimal target debt portfolio including creditor category, currency, interest and maturity profiles.

Output 4.1

Debt strategy software acquired, installed and training provided on debt strategy software and other issues related to the formulation of a debt strategy.

Activity 4.1.1.

Installation and testing of debt strategy software at relevant agencies.

Responsibility: CTA/DMFAS debt expert

Activity 4.1.2.

First 10 day workshop on basics of debt strategy formulation including framework for debt strategy, data required, coordination issues, analytical skills and on debt strategy

software. Before this workshop, the parties responsible for debt strategy formulation will be clarified, including the main unit responsible.

Responsibility: CTA/DMFAS debt expert

Output 4.2

Awareness created on practical issues related to Debt Strategy formulation and Debt Strategy Technical Working Group formed.

Activity 4.2.1.

Study tour, comprising officials from ERD, BB, Finance Division, to one/two countries with effective coordination mechanisms for debt management, and strategy formulation in particular, and on the processes followed for the development, revision and implementation of their debt strategies. Comprehensive report to be submitted on return, including lessons learned for Bangladesh.

Responsibility: CTA/UNDP

Activity 4.2.2.

On the basis of the first workshop and the study tour, formation of a Debt Strategy Technical Working Group with roles and institutional responsibility and terms of reference.

Responsibility: Government/Bangladesh Bank under guidance of CTA

Output 4.3

Skills developed for conduct of debt sustainability analyses and debt strategy formulation and first debt strategy document prepared and presented to senior officials.

Activity 4.3.1.

Preparation of debt and macroeconomic information, and other related information if necessary, for debt strategy workshop. The debt data to be used in the first debt strategy workshop will be mainly medium-and-long-term public and publicly guaranteed external debt data.

Responsibility: Government/Bangladesh Bank under guidance of CTA

Activity 4.3.2.

Second 10-day national workshop on debt sustainability analysis addressing development of alternative debt and macroeconomic scenarios using actual data, conducting simulations, evaluating alternative borrowing/restructuring options, etc. Draft debt strategy document prepared at this workshop.

Responsibility: CTA/DMFAS debt expert

Activity 4.3.4.

Finalisation of debt strategy document and presentation of draft debt strategy and its recommendations at seminar for senior officials.

Responsibility: Government/Bangladesh Bank with support from CTA

Activity 4.3.5.

Follow-up review of first debt strategy formulation exercise. A summary report on lessons learned will be prepared and distributed to different institutions involved in the exercise. Recommendations made improvement for second debt strategy exercise.

Responsibility: Government/Bangladesh Bank with support from CTA

Output 4.4

Annual revision of debt strategy document prepared by Government.

Activity 4.4.1

Preparation of debt and macroeconomic information for second debt strategy workshop. The debt data to be used in this workshop will be medium-and-long-term public and publicly guaranteed external debt data, as well as data on short-term public and publicly-guaranteed external debt, private sector external debt, if data is available.

Responsibility: Government/Bangladesh Bank with limited support from CTA

Activity 4.4.2

5-day national debt strategy workshop. Draft updated debt strategy document prepared.

Responsibility: Government/Bangladesh Bank with support from CTA

Activity 4.4.3

Finalisation of updated debt strategy document and presentation of updated debt strategy and its recommendations to senior officials.

Responsibility: Government/Bangladesh Bank with support from CTA

Activity 4.4.4

Follow-up review of second debt strategy formulation exercise. A summary report on lessons learned will be prepared and distributed to different institutions involved in the exercise. Recommendations made improvement of future debt strategy exercises. Programme for future updates developed and approved.

Responsibility: Government/Bangladesh Bank with support from CTA

Output 4.5.

Government officials better aware of debt management and strategy issues and the role of external debt in the development of the country, as well as the potentially

destabilizing effects of inappropriate debt management practices and senior technical officers made aware of uses of different types of high level arrangements for debt management.

Activity 4.5.1.

Organisation of a ½-to-1 day seminars for senior officials, including ministers, secretaries, additional secretaries and joint secretaries on issues relating to debt and aid management and strategy.

Responsibility: CTA

Activity 4.5.2.

Organisation of two 1-day seminars for officials from different departments/units from different institutions dealing with debt/aid management or which use debt information, on issues relating to debt management and strategy

Responsibility: CTA

Activity 4.5.3.

Participation of relevant Government officials to the sixth Inter-regional conference on debt management at UNCTAD Headquarters in 2007.

Responsibility: UNCTAD/CTA

Annex II: Project Results and Resources Framework

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
1	<p>Output 1.1 Computer skills of officials and staff enhanced with respect to software packages in order to support operational activities and to complement DMFAS.</p>	<p>Activity 1.1.1. Training programme on Computers, Windows, Basic Excel, Word for relevant staff and officials from FABAA and officials from ERD and other relevant institutions.</p> <p>Activity 1.1.2. Training programme on Intermediate Excel and Word and on PowerPoint for officials and Computer Cell, ERD officials and officials from other relevant institutions.</p> <p>Activity 1.1.3. Training programme on Networking for technical officials from ERD officials from other relevant institutions.</p> <p>Activity 1.1.4. Advanced training programme on Windows, Internet, development of websites, including trouble-shooting.</p>	<p><i>Local IT and technical training</i> US\$ 16,500</p>	<p>CTA and National Consultant to assist in the preparation and follow-up of these activities.</p>
			<p>Sub-Total: US\$ 16,500</p>	

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
1	<p>Output 1.2. DMFAS 5.3 effectively installed in FABA, ERD and Bangladesh Bank, and Bangladeshi-specific software requirements identified</p>	<p>Activity 1.2.1. Purchase of additional hardware and software for installation of DMFAS in FABA and Bangladesh Bank</p> <p>Activity 1.2.2. Installation of DMFAS 5.3 and provision of DMFAS-related technical training in FABA and Bangladesh Bank.</p> <p>Activity 1.2.3. Installation of the latest version of DMFAS in FABA and Bangladesh Bank in the second half of the project and provision of related technical training.</p> <p>Activity 1.2.4. Evaluation of requirements of Bangladesh for modifications / enhancements to DMFAS, proposals made and certain requirements incorporated into DMFAS software update as necessary (relatively significant modification / enhancements not catered for in this project).</p>	<p><i>International project personnel:</i> Chief Technical Advisor US\$ 297,000</p> <p>Technical DMFAS expert 2 man months US\$ 26,400</p> <p>International mission costs 2 missions US\$ 11,244</p> <p>Purchase of hardware and software, including Oracle products, and project equipment, including vehicle: US\$ 117,480</p> <p>Sub-Total: US\$ 452,124</p>	<p>The Chief Technical Advisor will be hired for 18 months total, with an initial contract of 12 months.</p> <p>Purchase of these items concern the implementation of all activities.</p>
1	<p>Output 1.3. Database on government and government-guaranteed external debt created and validated. Procedures developed for the collection, processing and validation of the</p>	<p>Activity 1.3.1. Review of information flow and storage systems on government and government-guaranteed external debt. Recommendations made for improvement. Implementation of recommendations.</p>		

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
	above debt instruments.	<p>Activity 1.3.2. All government and government guaranteed loans and transactions entered into DMFAS and validated against creditor records.</p> <p>Activity 1.4.1. Review of information flow and storage systems on government grants and projects. Recommendations made for improvement. Implementation of recommendations.</p> <p>Activity 1.4.2. Entry of information on grants and projects into DMFAS 5.3 and project-related linkages to loans and grants. Validation of information on grants with donors. and projects with IMED.</p> <p>Activity 1.5.1. Two to three day workshop on private sector external debt, intended to review the experiences of the private sector in submitting information to the Bangladesh Bank and to take stock of current status with respect to private sector management/monitoring.</p> <p>Activity 1.5.2. Follow-up activities required with respect to support the effective reporting of information of private external debt to Bangladesh Bank (e.g. revision of forms,</p>		
1	<p>Output 1.4. Database on government grants and projects created and validated. Procedures developed for the collection, processing and validation of the above.</p>		Local workshop expenses US\$ 2,200	
1	<p>Output 1.5. Monitoring of private sector external debt improved.</p>			

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
1	<p>Output 1.6. Monitoring of short-term external debt of the public sector improved.</p>	<p>procedures, collection and storage of any additional data on private sector external debt, etc.).</p> <p>Activity 1.5.3. Continuation of development and validation of private sector external debt database on DMFAS 5.3, and procedures put into place for the updating and continued validation of private sector external debt.</p> <p>Activity 1.6.1. Evaluation of current status for monitoring short-term external debt of the public sector, including the suitability of DMFAS to monitor such debt instruments.</p> <p>Activity 1.6.2. Revision of reporting forms and procedures for the collection and monitoring of short-term external debt of the public sector, as necessary.</p> <p>Activity 1.6.3. Collection of public sector short-term external debt information, and entry into DMFAS or another software.</p>		



Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
1	<p>Output 1.7. Various debt databases integrated.</p>	<p>Activity 1.7.1. Examination of options for integration of databases from different installations and access of end-users, such as Finance Division, to the information. Recommendations to be made by UNCTAD</p> <p>Activity 1.7.2. Definition of updated responsibilities, development of improved operational procedures and formalisation of procedures by Government.</p> <p>Activity 1.7.3. Purchase and installation of related equipment/software needed for linkage of databases.</p> <p>Activity 1.7.4. National workshop on integration of databases and on management of integrated databases.</p> <p>Activity 1.7.5. Integration of databases from different installations, and training of IT and end users on the use and accessing of integrated information.</p> <p>Activity 1.8.1. Workshops on interpretation of loans and grants and related documents, including</p>	<p><i>International project personnel:</i> Technical DMFAS expert 1 man months US\$ 13,200</p> <p>International mission costs 1 mission US\$ 5,622</p> <p>Local workshop expenses US\$ 2,200</p>	<p>Inputs for this activity already included in Output 1.2</p>
1	<p>Output 1.8. Officials trained on use of DMFAS, including data entry, report</p>		<p>Economist/Debt Expert 2 man months US\$ 26,800</p>	

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
	<p>generation, and basic technical activities. data entry on and report, preparation from DMFAS 5.3.</p>	<p>complex loan agreements, for officials from FABAB, Bangladesh Bank.</p> <p>Activity 1.8.2 Workshops on DMFAS 5.3. data entry of loan and grant information, transactions, support information and on report preparation from DMFAS.</p> <p>Activity 1.8.3. Workshop on data validation</p> <p>Activity 1.8.4. Study tour to two/three countries actively using DMFAS/other systems, which have a comprehensive system of reporting and which use the DMFAS for their operational activities and to support analysis and, possibly which has integrated DMFAS with other systems.</p> <p>Activity 1.8.5. Training on latest version of DMFAS DMFAS..</p>	<p>Local workshop expenses US\$ 6,600</p> <p>Study tour US\$</p>	<p>To be delivered concurrently with DMFAS installation mission – activity 1.2.2.</p> <p>To be delivered concurrently with DMFAS update installation mission – activity 1.2.3</p>
2	<p>Output 2.1. Improved reports on debt and aid management, with well-defined programme for dissemination.</p>	<p>Activity 2.1.1. 8-10 day workshop on the production of debt and statistics, incorporating factors which should be considered in the publication of debt and aid statistics. Other</p>		

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
		<p>issues relating to the production of debt and aid statistics, latest international standards, and sample report formats will be addressed. The publication 'Flow of External Resources into Bangladesh' will also be comprehensively reviewed. Outputs of this workshop will be the proposals for the improvement of 'Flow of External Resources into Bangladesh' and other draft debt and aid bulletin/s.</p> <p>Activity 2.1.2. Follow-up activities relating to the improvement of 'Flow of External Resources into Bangladesh'.</p> <p>Activity 2.1.3. Follow-up activities relating to the publication and routinisation of other debt and aid statistical bulletins, including use of DMFAS, dissemination of reports and routinisation of processes (e.g. quarterly reports).</p>		
2	<p>Output 2.2. Procedures manuals developed for collection, processing, validation and reporting of debt information.</p>	<p>Activity 2.2.1 Update of Procedures Manual for FAB. A.</p> <p>Activity 2.2.2. Development of Procedures Manual on private sector external debt for Bangladesh Bank.</p>		
3	<p>Output 3.1. <i>Skills developed for portfolio reviews</i></p>	<p>Activity 3.1.1. 5/8 day national workshop on conduct of</p>		

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
	<p><i>and portfolio review documents on the structure of external debt of and aid flows to Bangladesh produced.</i></p>	<p>basic analysis and the conduct of portfolio reviews and brief introduction to risk analysis. Responsibility: CTA/DMFAS debt expert</p> <p>Activity 3.1.2. First annual comprehensive portfolio review document on external debt of and aid flows to Bangladesh. This will contain a review of disbursements and undisbursed Government loan and grant funds. This annual document will deal mainly with the public and public guaranteed external debt and grant flows to the Government. Later documents would include private sector external debt and aid which flow through NGOs, if the data is available.</p> <p>Activity 3.1.3. Second annual comprehensive portfolio review document on external debt of, and aid flows to Bangladesh. This annual document will include, as far as information is available, short-term external public sector external debt, aid which flow through NGOs, private sector external debt. It will also contain a review of all disbursements and undisbursed loan and grant funds, including relating to NGOs.</p>		
3	Output 3.2.	Activity 3.2.1.		

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
	<i>Semi-annual (or more frequent) review on Status of External Debt and Aid To Bangladesh produced and routinised.</i>	<p>Review of publications on routine analysis of aid and preliminary discussions on format and content of semi-annual (or more frequent) publication. Development of format and content of publication.</p> <p>Activity 3.2.2. Production of first review of debt and aid flows and routinisation of review.</p>		
3	Output 3.3. Government officials better aware of debt analysis issues and methodologies.	<p>Activity 3.3.1. Organisation of a ½-to-1 day seminar for senior officials, including ministers, secretaries, additional secretaries and joint secretaries on issues relating to debt and aid analysis issues.</p> <p>Activity 3.3.2. Organisation of two 1-day seminars for officials from different departments/units from different institutions dealing with debt/aid management or which use debt information, on issues relating to debt and aid analysis.</p>		
4	Output 4.1. Debt strategy software acquired, installed and training provided on debt strategy software and other issues related to the formulation of a debt strategy.	<p>Activity 4.1.1. Installation and testing of debt strategy software at relevant agencies.</p> <p>Activity 4.1.2. First 10 day workshop on basics of debt strategy formulation including framework for debt strategy, data required,</p>		

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
	<p>Output 4.2. Awareness created on practical issues related to Debt Strategy formulation and Debt Strategy Technical Working Group formed.</p>	<p>coordination issues, analytical skills and on debt strategy software. Activity 4.2.1. Study tour, comprising officials from ERD, BB, Finance Division, to one/two countries with effective coordination mechanisms for debt management, and strategy formulation in particular, and on the processes followed for the development, revision and implementation of their debt strategies. Comprehensive report to be submitted on return, including lessons learned for Bangladesh. Activity 4.2.2. On the basis of the first workshop and the study tour, formation of a Debt Strategy Technical Working Group with roles and institutional responsibility and terms of reference.</p>		
4	<p>Output 4.3. Skills developed for conduct of debt sustainability analyses and debt strategy formulation and first debt strategy document prepared and presented to senior officials.</p>	<p>Activity 4.3.1. Preparation of debt and macroeconomic information, and other related information if necessary, for debt strategy workshop. The debt data to be used in the first debt strategy workshop will be mainly medium- and long-term public and publicly guaranteed external debt data. Activity 4.3.2. Second 10-day national workshop on debt</p>		

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
		<p>sustainability analysis addressing development of alternative debt and macroeconomic scenarios using actual data, conducting simulations, evaluating alternative borrowing / restructuring options, etc. Draft debt strategy document prepared at this workshop.</p> <p>Activity 4.3.4. Finalisation of debt strategy document and presentation of draft debt strategy and its recommendations at seminar for senior officials.</p> <p>Activity 4.3.5. Follow-up review of first debt strategy formulation exercise. A summary report on lessons learned will be prepared and distributed to different institutions involved in the exercise. Recommendations made in the exercise. Recommendations made improvement for second debt strategy exercise.</p>		
4	<p>Output 4.4. Annual revision of debt strategy document prepared by Government.</p>	<p>Activity 4.4.1 Preparation of debt and macroeconomic information for second debt strategy workshop. The debt data to be used in this workshop will be medium-and-long-term public and publicly guaranteed external debt data, as well as data on short-term public and publicly-guaranteed external debt, private sector external debt and grants</p>		

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
		<p>to NGOs, if data is available.</p> <p>Activity 4.4.2 5-day national debt strategy workshop. Draft updated debt strategy document prepared.</p> <p>Activity 4.4.3 Finalisation of updated debt strategy document and presentation of updated debt strategy and its recommendations to senior officials.</p> <p>Activity 4.4.4 Follow-up review of second debt strategy formulation exercise. A summary report on lessons learned will be prepared and distributed to different institutions involved in the exercise. Recommendations made in the exercise. Recommendations made improvement of future debt strategy exercises. Programme for future updates developed and approved.</p>		
4	<p>Output 4.5. Government officials better aware of debt management and strategy issues and the role of external debt in the development of the country, as well as the potentially destabilizing effects of inappropriate debt management practices and senior technical officers</p>	<p>Activity 4.5.1. Organisation of a ½-to-1 day seminars for senior officials, including ministers, secretaries, additional secretaries and joint secretaries on issues relating to debt and aid management and strategy.</p> <p>Activity 4.5.2.</p>		

Immediate Objective #	Intended Outputs	Indicative Activities	Inputs	Comments and observations
	made aware of uses of different types of high level arrangements for debt management.	<p>Organisation of two 1-day seminars for officials from different departments/units from different institutions dealing with debt/aid management or which use debt information, on issues relating to debt management and strategy</p> <p>Activity 4.5.3. Participation of relevant Government officials to the sixth Inter-regional conference on debt management at UNCTAD Headquarters in 2007.</p>		



Annex III: Terms of reference for the Steering Committee on External Debt and Aid (SC-EDA)

1. BACKGROUND.

1.1. The Government of the Peoples' Republic of Bangladesh, cognizant of the critical role that debt and aid plays in the economy, and in its effort to build on the improvements already achieved in these areas by the Ministry of Finance and other institutions, has identified, as a priority, the further strengthening of its debt and aid management systems. The Economic Relations Division (ERD) of the Ministry of Finance has been aware of the need to strengthen these areas and embarked earlier on a project primarily aimed at developing a database on public sector external debt on the United Nations Conference on Trade and Development's (UNCTAD's) Debt Management and Financial Analysis System (DMFAS). However, this project was very limited in scope. The Government recognised that capacity needed to be critically built in additional key areas of debt and aid management. It needed to have credible, comprehensive, consistent and timely information on external flows to Bangladesh, on which to effectively base macroeconomic decisions and ground medium-term development plans. It also needed to pro-actively develop a debt strategy which would evaluate its borrowing plans, the implications on the sustainability of its external debt, the economy's susceptibility to debt problems and vulnerability to external shocks, and to point to a sustainable borrowing and debt profile.

1.2. Accordingly, through the ERD, the Government is implementing a two and a half-year, UNDP-supported project - Capacity Building for Management Of Foreign Aid In Bangladesh- (BGD/04/017) - which has the following components:

- ◆ Development of a debt strategy for Bangladesh.
- ◆ Comprehensive training, human resource development and awareness creation.
- ◆ Improvement of routine analysis, production of quarterly report on external flows.
- ◆ Installing the latest version of DMFAS.
- ◆ Updating of database on government external debt.
- ◆ Developing a database on aid to the Government.
- ◆ Developing a database on public sector short-term external debt.
- ◆ Integrating these databases with that developed for private sector external debt, for debt sustainability purposes.
- ◆ Validation of the debt/aid information presented by the different Government sources, particularly ERD, IMED, Bangladesh Bank, and with the World Bank.

1.3. However, the responsibility for some of these activities are located in different institutions and in different divisions. With respect to debt and aid information, the Government external debt and aid database is the responsibility of the Directorate of Foreign Aid Budget and Accounts (FABA), ERD, the information on aid which flow through NGOs is the responsibility of the NGO Bureau, state enterprises borrowings' and government guarantees are addressed by Finance Division, Ministry of Finance, and the private sector external debt is the responsibility of the Bangladesh Bank and the Board of Investment. In addition, IMED produces information on aid utilisation and Bangladesh Bank on external debt flows.

1.4. In addition, many countries' experiences show that different institutions and departments are also involved in a co-ordinated effort on debt strategy formulation and

implementation, as these bring not only the different data required, but also different skills - the research and statistics department of the central bank, the debt recording unit, the economic analysis and budget divisions of the ministry of finance, the planning department, the NGO Bureau and the board of investment.

1.5. Therefore, the Government has deemed it necessary to convene a Steering Committee to oversee the project's overall implementation (SC-EDA) and a Working Group on External Debt and Aid (WG-EDA) (see Terms of Reference of WG-EDA). The objectives, composition and frequency meetings of the SC-EDA are detailed below.

2. OBJECTIVES OF THE STEERING COMMITTEE ON EXTERNAL DEBT AND AID (SC-EDA).

The main objectives of the SC-EDA are as follows:

- 2.1. Oversee project management activities. This will include review of progress, work programmes, staff allocation and resourcing which may have implications for different institutions/divisions and for overall sustainability of the project's outputs.
- 2.2. Review the work programme for each half year, including the training and awareness creation activities.
- 2.3. Review and decide on recommendations made by WG-EDA for project implementation and improvement of overall debt management activities and publications.
- 2.4. Provide effective coordination for project's activities. This will include clarification of responsibilities, as necessary, ensuring adequate officials/staff are allocated to facilitate achievement of the project's objectives and long term sustainability of its outputs.
- 2.5. Coordinate with any other Committees which have responsibility for debt management or macroeconomic management, such as the Scrutiny Committee., the Public Expenditure Review Committee and the proposed Economic Monitoring Committee to avoid duplication and ensure consistency.
- 2.6. Oversee the incorporation of debt strategy formulation and implementation, and the establishment of an annual routine for debt strategy review.
- 2.7. Undertake any other activities aimed at advancing effective debt and aid management in Bangladesh.
- 2.8. Participate in Annual Meetings with UNDP and UNCTAD

3. COMPOSITION OF THE STEERING COMMITTEE ON EXTERNAL DEBT AND AID (SC-EDA).

3.1. The SC-EDA will be chaired by the Secretary, External Resources Division (ERD), Ministry of Finance, and in his absence the Additional Secretary 2 or his representative.

3.2. The SC-EDA will comprise the representatives from the following institutions:

- iv. Economic Relations Division, (FABA, WB Wing), Ministry of Finance
- v. Economic Relations Division, (UN Wing), Ministry of Finance
- vi. Bangladesh Bank
- vii. Board of Investment
- viii. Implementation, Monitoring and Evaluation Division (IMED)
- ix. Finance Division, Ministry of Finance
- x. UNDP

3.3. The Secretariat of the SC-EDA will be located in ERD, Wing 2 (FABA and World Bank Branch) and it will be responsible for preparation of agendas, requesting meetings, preparation of minutes and other documents and any associated activities. The National Project Director, BGD/04/017 will act as Member-Secretary.

4. FREQUENCY OF MEETINGS - SC-EDA.

The SC-EDA will meet to review semi-annual progress and to prepare for the Annual Meeting. However, it may meet more frequently, as required. Notice of meetings and draft agenda will be circulated at least two week before the meetings. Minutes of meetings will be circulated within two weeks after each meeting.



Annex IV: Terms of reference for the Working Group Committee on External Debt and Aid (WG-EDA)

1. INTRODUCTION.

- 1.1. The Government of the Peoples' Republic of Bangladesh, cognizant of the critical role that debt and aid plays in the economy, and in its effort to build on the improvements already achieved in these areas by the Ministry of Finance and other institutions, has identified, as a priority, the further strengthening of its debt and aid management systems. The Economic Relations Division (ERD) of the Ministry of Finance has been aware of the need to strengthen these areas and embarked in late-1992 on a project primarily aimed at developing a database on public sector external debt on the United Nations Conference on Trade and Development's (UNCTAD's) Debt Management and Financial Analysis System (DMFAS).
- 1.2. However, it was acknowledged that this project was very limited in scope, being focussed on debt recording only of public sector external debt – other external flows such as those to NGOs and the private sector not being incorporated - and the critical functions of analysis, debt policy and strategy implementation were not incorporated. The Government recognised that capacity needed to be built in these areas. It needed to have credible, comprehensive, consistent and timely information on external flows to Bangladesh, on which to effectively base macroeconomic decisions and ground medium-term development plans. It also needed to pro-actively develop a debt strategy which would evaluate its borrowing plans, the implications on the sustainability of its external debt, the economy's susceptibility to debt problems and vulnerability to external shocks, and to point to a sustainable borrowing and debt profile.
- 1.3. Accordingly, the Government, through the ERD, is implementing implementing a two and a half-year, UNDP-supported project - Capacity Building for Management Of Foreign Aid In Bangladesh- (BGD/04/017) which has the following components:
 - Installing the latest version of DMFAS.
 - Updating of database on government external debt.
 - Developing a database on aid to the Government.
 - Developing a database on public sector short-term external debt.
 - Integrating these databases with that developed for private sector external debt, for debt sustainability purposes.
 - Validation of the debt/aid information presented by the different Government sources, particularly ERD, IMED, Bangladesh Bank, and with the World Bank.
 - Improvement of routine analysis, production of quarterly report on external flows.
 - Development of a debt strategy for Bangladesh.
 - Comprehensive training, human resource development and awareness creation.
- 1.4. However, the responsibilities for some of these activities are located in different institutions/divisions. With respect to debt and aid information, the Government external debt and aid database is the responsibility of the Directorate of Foreign Aid Budget and Accounts (FABA), ERD, the information on aid which flow through

NGOs is the responsibility of the NGO Bureau, guarantees and state enterprises debt is addressed by the Finance Division, Ministry, of Finance and the private sector external debt is the responsibility of the Bangladesh Bank and the Board of Investment. In addition, IMED produces information on aid utilisation and Bangladesh Bank on external debt flows.

- 1.5. Furthermore, many countries' experiences show that different institutions and departments are also involved in a co-ordinated effort on debt strategy formulation and implementation, as these bring not only the different data required, but also different skills - the research and statistics department of the central bank, the debt recording unit, the economic analysis and budget divisions of the ministry of finance, the planning department, the NGO Bureau and the board of investment.
- 1.6. Therefore, the Government has deemed it necessary to convene a Steering Committee to oversee the project's overall implementation (see Terms of Reference of Steering Committee on External Debt and Aid {SC-EDA}) and a Working Group on External Debt and Aid (WG-EDA) to support the implementation of this project. The objectives, composition and frequency meetings of the WG-EDA are detailed below.

2. OBJECTIVES OF THE WORKING GROUP ON EXTERNAL DEBT AND AID (WG-EDA).

- 2.1. The main objectives of the WG-EDA are as follows:
- 2.2. Review the development of the different debt and aid databases. This will include reviewing of the status of information flow and data collection, and compilation at the various agencies and propose (or develop and implement, as necessary) measures to correct any bottlenecks and improve implementation.
- 2.3. Ensure consistency of database development on DMFAS at the different institutions, including loan/grant identification, codes and classifications, exchange rates, interest rates and client numbers, if necessary
- 2.4. Examine statistics being produced by different agencies, reasons for any major differences among similar data reported by different agencies, and seek to reconcile the information produced.
- 2.5. Inspect statistical reports and other reports on which debt and aid information is being published and recommend improvements or new reports, as necessary.
- 2.6. Make proposals for the enhancement of DMFAS, as necessary. This will include proposals for customising the user-defined fields already in place, as well as for further enhancement of DMFAS.
- 2.7. Examine analytical reports and documents being produced on debt and aid and recommend improvements, as necessary.
- 2.8. Prepare for and participate in the debt strategy exercise, closer to the completion of the databases. Detailed responsibilities of each institution and department will be prepared at a later stage.

- 2.9. Review training and awareness creation activities and make necessary suggestions.
- 2.10. Review the work programme on a regular basis and make suggestions for improving implementation.
- 2.11. Facilitate effective coordination among the different institutions involved, including the exchange of information and participation in activities requiring joint participation.
- 2.12. Undertake any other activities, as requested by the SC-EDA, the Chairman of the WG-EDA or other members and agreed by the members of the WG-EDA and the SC-EDA, and within the context of this project.
- 2.13. Report regularly to the SC-EDA, through its Chairman or his/her representative and implement its directives.

3. COMPOSITION OF THE WORKING GROUP ON EXTERNAL DEBT AND AID (WG-EDA).

- 3.1. The WG-EDA will be chaired by the Additional Secretary (FABA and World Bank), ERD, and in his absence, the Joint Secretary (UN).
- 3.2. The WG-EDA will comprise the representatives from the following institutions:
 - Finance Division, Ministry of Finance.
 - Comptroller General of Accounts.
 - ERD, Ministry of Finance.
 - Implementation, Monitoring and Evaluation Division (IMED), Ministry of Planning.
 - Bangladesh Bank - Statistics Department and Research Department.
 - Board of Investment.
 - NGO Affairs Bureau.
- 3.3. The Secretariat of the WG-EDA will be located in FABA and it will be responsible for preparation of agendas, requesting meetings, preparation of minutes and other documents and any associated activities.

4. FREQUENCY OF MEETINGS - WG-EDA.

- 4.1. The WG-EDA will meet once every quarter, or more frequently, as required. Notice of meetings and draft agenda will be circulated at least one week before meetings. Minutes of meetings will be circulated within two weeks after each meeting.

5. CO-ORDINATION WITH SC-EDA.

The Chairman WG-EDA or his/her representative, will serve as the Secretary to the SC-EDA. He/she will report periodically (semi-annually or more frequently, as required) to the SC-EDA and will be the coordinating officer between the SC-EDA and the WG-EDA.

Annex V: Terms of reference for project personnel

Annexure V/1

TORS: CHIEF TECHNICAL ADVISER

Division: Debt Management-DMFAS Programme, Division of Globalisation and Development Strategies, UNCTAD

Duty Station: Geneva, Switzerland, with regular missions to Dhaka, Bangladesh

Duration: Eighteen (18) months, spread over 30 months.

Functional Title: Chief Technical Adviser (CTA)

Duties: The CTA will carry out his duties under the direct control of the Project Director. He/she will act under the general direction and technical supervision of the Chief, DMFAS Programme.

He/she will be responsible for the overall supervision and implementation of the project through all its phases. In addition, with the assistance of international and national project personnel, and, when necessary, with that of the UNCTAD's technical support services, he/she will be responsible for the following main tasks:

- Assist in the overall technical management of the project.
- Assist in the provision of/supervise the provision of comprehensive training to staff of ERD and other Government institutions on debt and aid management.
- Assist in the conduct of awareness seminars for high level officials, including parliamentarians, ministers, secretaries, and additional secretaries.
- Assist in the organization and executing other national workshops and seminars.
- Assist in the development of national debt strategy for Bangladesh.
- Assist in the establishment and publication of quarterly statistical publication on aid flows to Bangladesh.
- Assist in the establishment and publication of quarterly analytical publication on aid flows to Bangladesh and in the conduct of debt and aid portfolio reviews..
- Assist in the improvement of annual publication – *Flow of External Resources to Bangladesh*.
- Assist in the study on institutional arrangements for managing external flows to the private sector in Bangladesh.
- Assist in the update of Operational Procedures Manual for FABA.
- Assist in the development of Procedures Manual for monitoring, collection, processing and dissemination of information of aid which flow through private sector external debt.

- Assist in the development of the database on public sector short-term external debt at the Economic Relations Division, Ministry of Finance.
- Assist in the implementation of the DMFAS for monitoring private sector external debt at the Bangladesh Bank, including the collection, filling of forms, processing and reporting of information.
- Assist in the integration of the different databases in the ERD.
- Assist in the development of linkages of loans and grants to projects, and production of related reports.
- Assist in the local training in DMFAS, as appropriate, including the training for monitoring of aid to the private sector external debt.
- Assist in the reconciliation of information on debt and aid with the different institutions involved.
- Provide the Government authorities with whatever assistance may be required in the area of external resource mobilization and within the context of the present project.

Qualifications:

- Advanced university degree in economics and/or finance.
- A minimum of ten years of progressive experience in debt and aid management, inclusive of recording, analysis, strategy formulation, servicing, disbursements, negotiations, institutional and organizational arrangements, co-ordination, use of high level debt advisory bodies. Experience in working on public sector external debt and aid, as well as with private sector external debt.
- A minimum of ten years knowledge in use of DMFAS, with progressive use in different settings. Experience in working with debt strategy software useful.
- A minimum of twelve years experience with working with different governmental institutions in debt and aid management, inclusive of ministries of finance and central banks of developing countries and/or in working with international institutions in this area. Broader knowledge in working in these institutions is useful, although not necessary.
- Experience in developing and implementing different types of training activities, inclusive of organizing workshops, seminars and retreats, on-the job training, regional and international activities.
- Experience on project management and project implementation highly desirable.
- Experience in working in Bangladesh and familiarity with Bangladeshi government institutions and procedures, particularly as relates to debt and aid management, would be very useful.
- Experience in working with standard word processing, spreadsheet and presentation software.

Mastery of languages: Mastery of written and spoken English required.

TORS: DMFAS ANALYST/PROGRAMMER

Division: Debt Management - DMFAS Programme, Division of Globalisation and Development Strategies, UNCTAD

Duty Station: Geneva, Switzerland, with travel to Dhaka, Bangladesh, as necessary

Duration: Four months (spread over two and a half years)

Functional Title: DMFAS Analyst/Programmer

Duties: The DMFAS Analyst/Programmer will carry out his/her duties under the direct control of the Project Director and in co-operation of the CTA. He/she will act under the general direction and technical supervision of the Chief, DMFAS Programme.

He/she will be responsible for:

- Assisting in the installation of the latest updates of DMFAS in the different locations in Bangladesh.
- Assisting in the conversion of earlier versions of DMFAS databases to the latest version.
- Assisting in provision of technical training on the operation, security and maintenance of DMFAS, particularly on trouble-shooting and report-production.
- Undertaking analysis of needs for any modifications needed to the DMFAS to deal with private sector external debt and short-term external debt.
- Undertaking analysis on the linkages between the different DMFAS installations and the optimum methods for linking of these different installations and the integration of the databases.
- Assisting the Government of Bangladesh in any minor modifications to the DMFAS necessary for Bangladesh.
- Assisting in any other area as determined by the Project Director, in consultation with the CTA, and with the approval of the Chief, DMFAS Programme.

Qualifications:

A minimum of five years' experience is required at progressively increasing levels of skill requirements and levels of complexity, with a working knowledge of structured design and programming methods. Full competence in the use of ORACLE's PL/SQL and SQL and the ORACLE RDBMS Version 6 or later. Working knowledge of COBOL and C desirable. Working experience with microcomputers, is required as well as demonstrated practical experience in programming applications for ORACLE's RDBMS. Experience in the establishment of LANs and WANs and the integration of different DMFAS databases is also desirable. A university degree is required, or equivalent experience, preferably in scientific or technical area.

Mastery of languages: Mastery of written and spoken English required.

TORs: National Project Coordinator (NPC)

The NPC is a senior national counterpart official assigned to the project under the direct supervision of the NPD. She/He should have experience in project management, implementation of similar project components as a member of a project team. NPC will be under the GoB payroll, however, is entitled to DSA as applicable for national counterpart officials in other UNDP projects. NPC's services will be required for the duration of the project and until all the procedures for closure are completed. The NPC will support and function as deputy to the NPD to effectively implement the project towards successful end and timely achievement of its objectives.

Duties and Responsibilities

Reporting to the NPD, the NPC assumes responsibility to:

- 1) Operationalise the management of the project in accordance with the Prodoc and the TPP;
- 2) Assist the NPD in coordination, planning and implementation of project activities; and Initiate and administer mobilisation of project inputs;
- 3) Ensure through regular supervision that project staff are discharging their duties according to the workplan and their respective ToR;
- 4) Prepare and update project workplans, and obtain approval of the NPD and the CTA;
- 5) Represent NPD, in her/his absence, at meetings at the operational level;
- 6) Assist NPD and the CTA in preparation of various reports including Progress Reports, Financial Reports, Annual Progress Report (APR), etc.;
- 7) Assist NPD to organise review meetings and training courses, and provide inputs for documentation as needed, for such events,
- 8) Assume responsibility for managing the project budget on behalf of the NPD, cooperate with CTA in ensuring timely delivery of resources and inputs, and documents are properly maintained;

Qualifications and Experience

- At least a Master's Degree in a relevant discipline, with experience in Debt Management issues;
- Fluency in written and spoken English, with sufficient exposure to ICT;
- At least 10 years working experience in related fields
- Demonstrated analytical and conceptual skills of a high order, leaderships quality;
- Capability of working in international institutions and/or with donor agencies.



Annexure V/4

TORS: DEBT EXPERT(S)

Functional Title: Debt Expert

Duration: 3 months (spread over two and a half years)

Location: Economic Relations Division, Ministry of Finance, Dhaka, Bangladesh

Duties: The Debt Expert(s) will carry out his/her duties under the general direction of the National Project Director and the CTA.

He/she will be responsible for the following main tasks:

DMFAS Training (1 man-month):

Provide support for Activities, 1.8.1, 1.8.2 and 1.8.3. These relate to training on interpretation of loan agreements and related documents, training on DMFAS 5.3 and on data validation.

Qualifications:

Advanced degree in Economics and/or Finance.

A minimum of ten years working in the areas of debt, specifically: with implementation of debt recording software – DMFAS-, training on DMFAS;

- training on interpretation of loan agreements
- training on and data validation;
- validation of databases; and
- constitution of debt databases.

Experience on conduct of workshops on debt recording.

Mastery of languages: Mastery of written and spoken English required.

Debt Statistics (1 man-month)

Provide support for activity 2.1.1, 2.1.2 and 2.1.3. These activities relate to the organisation and delivery of a workshop on debt statistics, the support for revision of existing the existing document 'Flow of External Resources into Bangladesh', and related activities relating to the production and new statistical documents (including commenting on all aspects of the document).

Qualifications:

Advanced degree in Economics and/or Finance.

- A minimum of twelve years working in the areas of debt and statistics, specifically:

- with implementation of debt recording software – DMFAS-, with in-depth knowledge of producing reports from DMFAS and other software;
- training on DMFAS, with in-depth on training on reporting from DMFAS;
- demonstrated familiarity with conduct of debt statistics workshops;
- knowledge in supporting the development/improvement of debt statistical bulletins.

Mastery of languages: Mastery of written and spoken English required.

Debt Strategy (1 month)

Provide support for Activity 4.1.1 and 4.1.2. This will include implementation of the latest debt strategy software, provision of training on this software and being the main resource person in a debt strategy workshop. He/she will also support Activities 4.3.4 after he/she has left Bangladesh.

Qualifications:

Advanced degree in Economics.

- A minimum of ten years working in the areas of debt and aid analysis and strategy formulation.
- Experience on conduct of workshops on debt analysis and debt strategy formulation.
- Demonstrated experience in the preparation of debt strategies for developing countries.
- Knowledge of debt strategy software and use of this software in debt strategy exercises.
- Familiarity with DMFAS and use with debt strategy software will be very useful.
- Experience in preparation for/participating in workshops/seminars.

Mastery of languages: Mastery of written and spoken English required.

TORS: RESEARCH ASSISTANT

Duration: 1 year, with the possibility of extension for an additional year.

Location: Economic Relations Division, Ministry of Finance, Dhaka, Bangladesh

Duties: The Research Assistant will carry out his/her duties under the general direction of the National Project Director and the Chief Technical Adviser (CTA), or their appointed representatives. He/she may be assigned to support the project activities in ERD and Bangladesh Bank, as necessary, and will be responsible for the following main tasks:

- The collection and storage of information on external debt and aid stocks and flows.
- Entry of information on UNCTAD's the Debt Management and Financial Analysis System (DMFAS)
- Prepare statistical and analytical reports, as required.
- Other activities, as requested by the Project Director.

Necessary training will be provided to undertake the above activities.

Qualifications:

- Bachelor Degree (minimum second-class honours) in Economics, Commerce and/or Statistics.
- Working knowledge in use of Microsoft Excel and Word. Knowledge of other software useful.
- Ability and willingness to work long and flexible hours.
- Ability and willingness to work for long hours on the computers undertaking data entry, data verification and report production.

Mastery of languages: Competence in written and spoken English required and well as of Bangla.

Annexure V/6

TORS: ADMINISTRATIVE-CUM-FINANCE ASSISTANT

Duration: 1 year, with the possibility of extension for an additional year.

Location: Economic Relations Division, Ministry of Finance, Dhaka, Bangladesh

Duties: The Administrative-cum-Finance Assistant will carry out his/her duties under the general direction of the National Project Director and the Chief Technical Adviser (CTA), or their appointed representatives. He/she may be assigned to support the project activities and will be responsible for the following main tasks:

- Assisting the CTA in office duties including correspondences, filing, arranging meetings, organizing of office duties, preparation for workshops and other training events.
- Maintain all accounts, expenditure Reports, Supporting documents and other related files.
- Assist the NPD and CTA in routine administration of personnel and logistic support.
- Other activities, as requested by the CTA or Project Director.

Qualifications:

- Bachelor Degree (minimum second-class honours) in Economics/Commerce).
- Experience in working as an Administrative/Finance Assistant.
- Good working knowledge in use of Microsoft Word and Excel. Knowledge of Microsoft PowerPoint and other software useful.
- Ability and willingness to work long and flexible hours.

Mastery of languages: Fluency in written and spoken English as well as of Bangla.

TORs: Office Secretary-cum-Data Entry Operator

Services of the Office Secretary-cum-Data Entry Operator will be required for the duration of the project and until procedure for closure is completed. She/he will support NPD and CTA in maintaining of project files and records.

Duties and Responsibilities

Reporting to the CTA, Office Secretary-cum-Data Entry Operator is responsible to:

- 1) Maintain in-coming and out-going documents, maintain project files, documents, provide support to NPD, CTA and consultants/experts.
- 2) Prepare routine correspondence and general reference documents, organise data and information, and maintain project records, files and discernments.
- 3) Typing letters, document, reports etc. and application of ICT.

Qualifications and Experience

- Higher Secondary Certificate and Diploma in ICT from a recognised computer institution;
- 5 years practical experience in secretarial duties and use of computers, preferably within UNDP/donor supported projects.
- Excellent computer skills and ability to provide ICT support and software applications
- Demonstrated ability in use of Microsoft Office including MS Word, Excel, Power-Point and publishing softwares;
- Typing Speed: 60 wpm
- Proficiency in drafting standard/routine communication in both English and Bengali required.

TORs: Driver-cum-Messenger

The Driver-cum-Messenger is a full time employee of the project. The services will be required for the duration of the project and until all the procedures for closure is completed.

Duties and Responsibilities

To drive project vehicle within Dhaka city and on field trips outside Dhaka to meet the transportation requirements of the project, day-to-day maintenance of the vehicle, maintain log book, arrange repairs when necessary, follows rules and regulations and report to the authorities in case of incidence, and collect/deliver mail or documents when required. He/She will also work as messenger in the project office while not driving the vehicle.

Qualifications and Experience

- At least class eight passed or equivalent level;
- Minimum 5 years driving experience, preferably in UNDP funded development projects, with good track records;
- Valid heavy/light vehicles driving license;
- Good knowledge of road networks in Dhaka and surrounding areas;
- Adequate knowledge and skills in vehicle maintenance and minor repair; and
- Working knowledge of communicative English, and possessing good manner.

Annex VI: Example of DMFAS maintenance agreement

CONFÉRENCE DES NATIONS UNIES SUR
LE COMMERCE ET LE DÉVELOPPEMENT



UNITED NATIONS CONFERENCE
ON TRADE AND DEVELOPMENT

MAINTENANCE AGREEMENT BETWEEN THE MINISTRY OF FINANCE OF BANGLADESH AND UNCTAD FOR THE USE OF UNCTAD'S DMFAS SYSTEM WITHIN THE MINISTRY OF FINANCE OF BANGLADESH

Upon signature of this Agreement, the United Nations Conference on Trade and Development (UNCTAD) will provide to the Ministry of Finance of Bangladesh (MoF) the maintenance services linked to the MoF's use of UNCTAD's Debt Management and Financial Analysis Programme (DMFAS) system, as described in Article 1. For such services, the MoF agrees to pay to UNCTAD the amount detailed in Article 2 according to the arrangements described in Article 3.

Article 1: Scope of DMFAS maintenance agreement

Provision of future DMFAS maintenance releases

This maintenance agreement allows the MoF to benefit from the future maintenance releases of version 5 of DMFAS resulting from the following types of maintenance services:

- Adaptive maintenance

This type of maintenance involves modifying characteristics of the DMFAS system to ensure its compatibility with changes made to versions of operating systems, database management systems and network systems currently supported by the DMFAS system.

- Perfective maintenance

This type of maintenance involves adding new functionalities to satisfy urgent or important DMFAS user-requests.

- Corrective maintenance

This type of maintenance involves correcting system errors.

All requests for maintenance services will be acknowledged and taken into account by UNCTAD, subject to the common good of the DMFAS user-community, and undertaken in function of the allocation of available resources of the DMFAS Programme.

Provision of helpdesk support

This maintenance agreement allows the MoF to benefit from the helpdesk support provided by the DMFAS Programme in Geneva. The helpdesk support allows the MoF to receive prompt responses in user-support areas relating to the use of the DMFAS system, including both operational and technical issues.

For the requesting institutions, this helpdesk support can further be provided through the use of remote access assuming that the local conditions are in place, including connections, access authorisation, licensing for the remote access software, etc.

This support covers only the use of the DMFAS software itself, and not of the other software and hardware used by the user-institution's DMFAS installation which are covered, it is assumed, by separate agreements.

Article 2: Cost

Upon receipt of the annual request for payment, the MoF will transfer the annual maintenance fee to the UNCTAD DMFAS Trust Fund according to the schedule described in Article 3. This fee is initially set at US\$5,000.

The funds thus collected in the DMFAS Trust Fund will be used at the discretion of the DMFAS Programme to finance maintenance activities in accordance with the United Nations Rules and Regulations.

Article 3: Duration of contract and schedule of payments

The provisions of Article 1 will take effect immediately upon the date of signature of the maintenance agreement which is part of the project BGD/04/01. The MoF will be dispensed from paying the annual maintenance fee for the three years 2007, 2008, 2009, as these are covered within the budget of the project document BGD/04/01

The first annual maintenance payment made by the MoF will be undertaken during the first three months of the next annual contract period extending from 1 January 2010 to 31 December 2010.

This agreement will be renewed automatically on a yearly basis unless cancelled in writing by the MoF or by UNCTAD.

The subsequent yearly maintenance fees will be paid within thirty days following the anniversary date of the commencement of the annual maintenance contract.

Payments will be deposited on the UNCTAD account after issuance of a request for payment by the DMFAS Programme, the details of which are as follows:



A/C No: 240-C0-590163.1
A/C Name: UNCTAD Trust Fund
Bank: Union des Banques Suisses (UBS SA)
Swift Address: UBSWCHZH12A
IBAN Number: CH31 0024 0240 C059 0163 1
Bank Address: Rue du Rhône 8
P.O. Box 2600
1211 Geneva 2 - Switzerland
Reference No: UNCTAD DMFAS Trust Fund INT/0T/2AO
IMIS General Ledger TXB 1110
from Ministry of Finance of Bangladesh for [period]

An official confirmation of receipt will be sent by UNCTAD to the MoF after each yearly payment.

Article 4: Limitations

Payment of the maintenance fee does not commit UNCTAD to provide services other than those described in Article 1. In particular, for the installation of major DMFAS maintenance releases, the payment of the maintenance fee to UNCTAD does not entitle the MoF to benefit from on-site services provided by the DMFAS Programme such as conversions, nor related training field activities, which would have to be catered for in an existing or future technical cooperation project document.

Article 5: Settlement of Disputes

Any dispute, controversy or claim between the Parties arising out of this Agreement or the breach, termination or invalidity thereof shall, if attempts at settlement by negotiation have failed, be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then prevailing. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

Article 6: Privileges and Immunities

Nothing in or relating to this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs

Article 7: Final clauses

In the execution of this agreement, the signatories confirm the following as their registered addresses:

For Ministry of Finance of Bangladesh:

Ministry of Finance of Bangladesh

Dhaka

Bangladesh

Tel: + 880

Fax: + 880

For UNCTAD:

Palais des Nations

8 Avenue de la Paix

211 Geneva 10

Switzerland

Tel: +41.22-907 58 14

Fax: +41.22-907 00 45

This agreement is written in two original copies initialed and/or signed, of which one for the Ministry of Finance of Bangladesh, one for UNCTAD.

Dhaka, _____
Date

Geneva, _____
Date

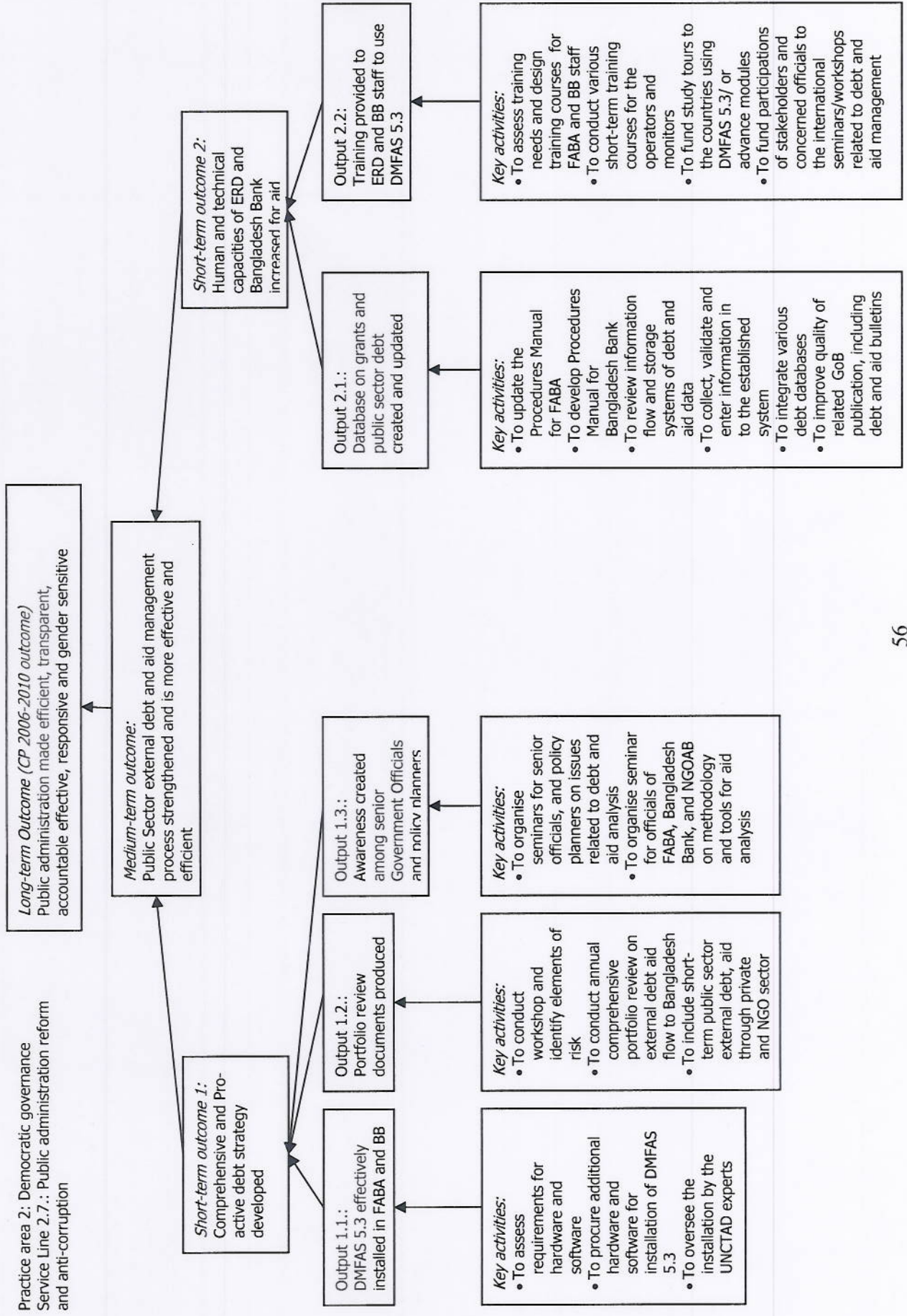
For the Ministry of Finance of Bangladesh

For UNCTAD

Mr. Oluseye Oduyemi

Chief

Resources Management Service



OG

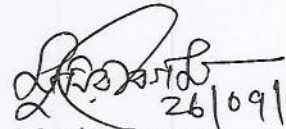
Government of the People's Republic of Bangladesh
Ministry of Finance
Economic Relations Division

No. ERD/UN-1/CBMFAB/08/05/

Date: 26 Sept. 2005

Subject: Minutes of the meeting held on August 24, 2005 at 10.00 hours in the Conference Room of UN Wing of ERD on "Capacity Building of Management of Foreign Aid in Bangladesh."

The undersigned is directed to forward herewith a copy of the minutes of the meeting held on August 24, 2005 under the chairmanship of Mr. M. Mokhles ur Rahman, Joint Secretary (UN), ERD on the aforesaid subject for your kind information and necessary action.


26/09/05
Munira Begum
Assistant Chief
Phone: 9145476

Distribution (not in order of seniority)

1. Secretary, IMED, Sher-e-Bangla Nagar, Dhaka
2. Secretary, Planning Division, Sher-e- Bangla Nagar, Dhaka.
3. Director, FABA, ERD, Sher-e- Bangla Nagar, Dhaka.
4. Resident Representative, UNDP, IDB Bhaban, Dhaka.

- cc: 1. P.O. to Joint Secretary (UN), ERD.
2. P.O. to Deputy Secretary (UN-1), ERD.

REGISTRY, UNDP, DHAKA			
Date	28 SEP 2005		
File No.			
To	In	Out	Initial
Action:			

Minutes of the meeting held on August 24, 2005 at 10.00 hours in the Conference Room of UN Wing of ERD on "Capacity Building of Management of Foreign Aid in Bangladesh".

A meeting was held on August 24, 2005 under the chairmanship of Mr. M. Mokhles ur Rahman, Joint Secretary (UN), ERD with the representatives of UNDP, and concerned Ministries/Divisions in regards to finalization of funding mechanism of the pipeline project entitled " Capacity Building of Management of Foreign Aid in Bangladesh". A list of participants attending the meeting is attached herewith.

1. The chairperson welcomed the participants and initiated the proceedings of the meeting requesting the participants to inform the meeting of the progress so far made by the parties concerned with a view to launching the project.
2. The meeting was informed that according to the UNDP's letter No. BGD/04/017/PD, dated 06 April 2005, UNDP was pledge bound to provide technical assistance funding up to the tune of US \$.8 million to cover the cost of the initial phase of the project.
3. The meeting was also informed that with the aforementioned UNDP's letter, the UN Wing of ERD received provisional feedback on TPP of the said project from UNCTAD and was sent to FABA branch of ERD for necessary actions.
4. From discussion in the meeting, it was understood that UNDP/UNCTAD was working on the project document and project budget for UNDP/UNCTAD input which would be placed before the Government of Bangladesh for its review and formal endorsement.

To expedite the process of launching the project, the following decisions were taken in the meeting:

- a) UNDP will take up the matter with UNCTAD to finalize and ensure submission of the draft project document to GoB for its review and formal approval expeditiously;
- b) Alongside, FABA branch of ERD will take initiative to give the TPP a final shape in light with the provisional feedback as received from UNCTAD.
- c) The moment, ERD will receive the project document from UNDP, it will start the process of approval of project document and TPP simultaneously.

Meeting was concluded with the vote of thanks to and from the chair.

Sd/- 25.9.2005
M. Mokhles ur Rahman
Joint Secretary (UN)

Minutes of the meeting held on August 24, 2005 at 10:00 hours in the Conference Room of UN Wing of ERD on "Capacity Building of Management of Foreign Aid in Bangladesh".

A meeting was held on August 24, 2005 under the chairmanship of Mr. M. Mubtasir in Khatun Joint Secretary (JMS) ERD with the representatives of UNDP, and concerned Ministry/Division in regard to facilitation of funding mechanism at the regional project entitled "Capacity Building of Management of Foreign Aid in Bangladesh". A list of participants attending the meeting is attached herewith.

The chairperson welcomed the participants and initiated the proceedings of the meeting requesting the participants to inform the progress of the progress to be made by the parties concerned with a view to launching the project.

2. The meeting was informed that according to the UNDP's last 10th BODM/OTPD dated 16 April 2005, UNDP was ready to provide technical assistance funding up to the size of US \$ 3 million to cover the cost of the initial phase of the project.

3. The meeting was also informed that with the aforementioned UNDP's letter, the UN Wing of ERD received provisional feedback on TFP of the said project from UNCTAD and was sent to JMS ERD for necessary action.

4. A further discussion in the meeting, it was understood that UNCTAD was working for the project document and project budget for UNCTAD upon which would be placed before the Government of Bangladesh for its review and formal endorsement.

To expedite the process of launching the project, the following decision was taken in the meeting:

- a) UNDP will take up the matter with UNCTAD to finalize and return endorsement of the draft project document within for its review and formal approval respectively.
- b) Although JMS ERD has received the provisional feedback from UNCTAD in light of the provisional feedback received from UNCTAD.
- c) The concerned ERD will receive the project document from UNDP to start the process of approval of project document and TFP endorsement.

Meeting was concluded with the vote of thanks to end from the chair.

24-08-2005
M. Mubtasir, JMS
Joint Secretary (JMS)