

Third Party Evaluation Report FY2023
Ministry of Foreign Affairs of Japan

Evaluation of Japan's ODA to the People's Republic of Bangladesh

March 2024

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IC Net Limited

Preface

This report is an Evaluation of Japan's ODA to the People's Republic of Bangladesh (Bangladesh), and was commissioned to IC Net Limited by the Ministry of Foreign Affairs of Japan (MOFA) in fiscal year 2023.

Since its commencement in 1954, Japan's Official Development Assistance (ODA) has contributed to the development of partner countries while tackling global issues. Today, the international community acknowledges the necessity to improve the effectiveness and efficiency of ODA. MOFA regularly conducts ODA evaluations, of which most are conducted at the policy-level with two main objectives: to improve the management of ODA, and to ensure its accountability. These evaluations are commissioned to external third parties to enhance transparency and objectivity.

The objective of this Evaluation was to review Japan's ODA policies for Bangladesh and implementation, and to produce recommendations and lessons learned based on the review to improve policy planning for the effective and efficient implementation of future assistance by the Government of Japan. For accountability purposes, the results in their entirety are available to the general public.

The Evaluation Team in charge of this study consisted of a chief evaluator (Professor Keiko Nishino, School of Policy Studies, Kwansei Gakuin University), and an advisor (Professor Keiko Ikeda, Faculty of Global Interdisciplinary Science and Innovation, Shizuoka University). Professor Nishino supervised the entire evaluation process and Professor Ikeda provided advice and input on analytical and evaluation processes. In addition, to complete this study, we have received support from MOFA, the Japan International Cooperation Agency (JICA), and local ODA Task Forces, as well as government agencies, project implementation agencies, other donors, non-governmental organizations (NGOs), and private companies in Bangladesh. We would like to take this opportunity to express our sincere gratitude to all those who supported this study.

Finally, the Evaluation Team wishes to note that the opinions expressed in this report do not necessarily reflect the views or positions of the Government of Japan.

March 2024
IC Net Limited

Note: This English version is a translation of the Japanese Evaluation Report of Evaluation of Japan's ODA to Bangladesh.

Evaluation of Japan's ODA to Bangladesh (Brief Summary)

Evaluators (Evaluation Team)

- Chief Evaluator: Keiko Nishino, Professor,
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- Consultant: IC Net Limited

Evaluation Period: JFY 2018–JFY 2022

Period of the Evaluation Study: April 2023–February 2024

Field Survey Country: People's Republic of Bangladesh



Photo: National Power Transmission Development Project which constructed transmission facilities in the entire Bangladesh (Source: JICA, ODA visualization website)

Background, Objectives and Scope of the Evaluation

Japan's Ministry of Foreign Affairs (MOFA) conducts country evaluations as part of its policy- and program-level evaluations of Official Development Assistance (ODA) under the MOFA Organization Order and the Development Cooperation Charter. The Bangladesh country assistance evaluation aims to evaluate Japan's recent ODA/cooperation policies and assistance to Bangladesh based on priority areas to obtain recommendations and lessons learned for formulating and implementing Japan's future ODA/cooperation policies toward Bangladesh. The results of this evaluation will be made public to ensure accountability to the Japanese citizens.

In principle, the targets of the Bangladesh country assistance evaluation were Japan's ODA/cooperation policies for Bangladesh over the past five years (JFY 2018–2022) and assistance based on the policies. The projects to evaluate were selected after coordination between the Ministry of Foreign Affairs (MOFA) and the evaluation team.

In other words, in addition to the projects listed in the latest Rolling Plan for Bangladesh (2020), the "projects completed in FY 2018" and the projects adopted in "FY 2021 and FY 2022," which are not listed in the said Rolling Plan, shall be considered evaluation target projects. Furthermore, in light of the constraints in the evaluation period and evaluation resources, the projects of high importance among the evaluation target projects above were selected as "major projects," and the status of the realization of inputs, outputs, and outcome were particularly checked in detail.

Brief Summary of the Evaluation Results

●Development Viewpoints

(1) Relevance of Policies

The projects implemented during the evaluation period were highly consistent with Japan's higher-level policies (the Development Cooperation Charter and the Country Development Cooperation Policy for Bangladesh), the development needs of the country and its people as expressed in Perspective Plan of Bangladesh and Five-Year Plan, the Millennium Development Goals (MDGs)/Sustainable Development Goals (SDGs), and other international priority issues. Interviews with implementing agencies and other donors clearly confirmed Japan's comparative advantage in implementing projects.

(Rating: Highly Satisfactory)

(2) Effectiveness of Results

Undoubtedly, Japanese ODA, as a major donor, has contributed to the social and economic development of Bangladesh. This contribution is particularly significant in infrastructure, power, and transportation. In human development, interviews with donors confirmed Japan's considerable contribution to the education and health sectors. The performance of projects in other areas described in the Rolling Plan is generally favorable.

In terms of evaluation items, inputs for Bangladeshi assistance were appropriately allocated to areas of need, and outputs were generally appropriate by achieving the expected results. Moreover, the outcomes (goals of each project) were generally in line with the expectations.

(Rating: Satisfactory)

(3) Appropriateness of Processes

The Country Development Cooperation Policy for Bangladesh and other aid policies are formulated through extensive discussions with the partner country and relevant stakeholders, and the process is appropriate. The policy implementation process is also appropriate regarding the degree to which the needs of the partner country are understood and regarding the implementation of detailed monitoring at the project level. There are no particular problems with the aid implementation structure, and there is good communication and coordination among various aid actors, including donors, international organizations, the private sector, and nongovernmental organizations (NGOs). Furthermore, consideration and ingenuity are given to the partner country's characteristics and peculiarities in project implementation.

(Rating: Satisfactory)

●Diplomatic Viewpoints

(1) Diplomatic importance

Japan's assistance to Bangladesh is highly relevant to the MDGs/SDGs and is of great importance to the international community. Japan's assistance over the past 50 years has contributed to Bangladesh's development, and its bilateral relationship with Bangladesh is extremely close, as Japan is regarded as the largest bilateral development partner. Moreover, the Government of Bangladesh's tough stance against terrorism has helped ensure the safety of Japanese residents in the country. Japan's technical cooperation implemented in recent years has also contributed to the safety of the people in both countries.

(2) Diplomatic impact

Japan's continuous support of Bangladesh has led to benefits in the form of Bangladesh's support and solidarity with Japan in the international community. Furthermore, the exchange of human resources between the two countries at various levels through the implementation of diverse projects, coupled with the success of the projects, has fostered a sense of familiarity and friendship with Japan in Bangladesh. Furthermore, ODA projects in Bangladesh have contributed to ensuring peace and security in Japan and the safety of Japanese citizens and have a ripple effect on the Japanese economy.

Recommendations and lessons learned based on evaluation results

<Recommendations>

- (1) Accelerate economic growth that benefits low-income groups and all citizens, by continuing to expand and improve the quality of economic infrastructure, and supporting the upgrading and diversification of industry and employment associated with economic growth.
- (2) Spread the results of strengthening administrative capacity and systems at the central level throughout the country by strengthening commitment and ownership in central ministries and the foundation for local deployment (systems and budgetary allowances).
- (3) Scrutinize and strengthen the monitoring of project activities in the direction of contributing to gender equality at the project-formulation stage so that the activities can more actively contribute to the reduction of gender disparities through the empowerment of women. In particular, strengthen women's empowerment in employment and governance.
- (4) It is both meaningful and possible to introduce program-level evaluation. In the actual evaluation, it would also be effective to consider sector programs in which each donor participates rather than limiting the program's scope to cooperation programs in Japan's "Rolling Plan." In the future, further methodology development is desirable; for example, by creating Theory of Change (ToC) for each sector at the program planning stage, confirming the position of each project in the sector, and establishing indicators.

<Lessons learned>

- (1) Improved durability of facilities through quality infrastructure construction and quality maintenance capabilities
- (2) Comprehensive economic empowerment support for women that is accessible to beneficiaries
- (3) Synergy effects of connecting urban and rural roads
- (4) Synergy effects of collaboration between Japanese NGOs and JICA projects
- (5) Increasing farm income through loans and technical assistance to small farmers

(End)

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Map of Bangladesh



Source: United Nations (<https://www.un.org/geospatial/content/bangladesh-0>)

Chapter 1: Evaluation Implementation Policy

1. Background, Objectives and Evaluation Framework

(1) Objectives of the MOFA ODA Evaluation

The Ministry of Foreign Affairs (MOFA) Official Development Assistance (ODA) evaluation aims to improve ODA management (feedback on ODA policy) and ensure accountability to the Japanese citizens.

Table 1-1: Objectives and Details of MOFA ODA Evaluation

Improved management of ODA (Feedback on ODA policy)	Assist in the management of ODA and improve the quality of ODA by reviewing ODA activities and applying the resulting recommendations and lessons learned to the ODA policy formulation and implementation process.
Ensure accountability to the public	Fulfill accountability to the Japanese citizens and promote public understanding and support for ODA by increasing transparency of ODA through the publication of evaluation results

Source: ODA Evaluation Guidelines (June 2021)

(2) Background and Objectives of the Country Evaluation

Bangladesh is a Muslim country with moderate democracy located at the nexus of South Asia and Southeast Asia and plays a crucial role in ensuring the stability and economic development of the South Asian region. Bangladesh has experienced rapid economic growth in recent years and is attracting attention as a potential production base and new market. Japanese companies are expanding their presence in the country. However, a sizable portion of the country's population is still impoverished. The country faces challenges such as the need to strengthen governance, underdevelopment of basic infrastructure such as electricity and transportation, and vulnerability to natural disasters, all of which impede the country's economic and social development.

Japan's support for Bangladesh will enhance cooperation in the international community by promoting good bilateral relations. Given Bangladesh's strategic geopolitical position surrounded by China, India, and ASEAN, Japan's support helps strengthen connectivity with South Asia and Southeast Asia and expand economic relations, including future trade and investment. This will also promote a free and Open Indo-Pacific partnership (FOIP). Furthermore, supporting Bangladesh's achievement of the SDGs will contribute not only to stable development of the South Asian region but also to peace and stability in the international community. Against this backdrop, Japan supports Bangladesh as a top donor, focusing on the priority areas of "Accelerating economic growth for the

benefit of all citizens toward a middle-income country" and "Overcoming social vulnerabilities."

No comprehensive evaluation of Japan's assistance to Bangladesh (country assistance evaluation) has been conducted in recent years, although third-party evaluations of ODA by MOFA were conducted in FY 2001, FY 2004, and FY 2009. The Bangladesh Country Assistance Evaluation aims to assess Japan's assistance to Bangladesh in recent years based on its ODA/cooperation policies and priority areas and to provide recommendations and lessons learned for formulating and implementing Japan's future ODA/cooperation policies toward Bangladesh. The evaluation results will also be made public to ensure accountability to the citizens of Japan.

2. Scope of Evaluation and Period Covered

This evaluation covers Japan's ODA/cooperation policies and assistance projects to Bangladesh over the past five years (FY 2018-FY 2022). Specifically, in addition to the projects listed in the latest Rolling Plan for Bangladesh (formulated in April 2020), "projects completed in FY 2018" and "projects adopted in FY 2021 and FY 2022," which are not listed in the Plan, will be included in the evaluation target projects. Considering the constraints of the evaluation period and resources, the projects of high importance among the above evaluation projects were selected as "major projects," the status of their inputs, outputs, and outcomes were particularly checked in detail.

Table 1-2: List of Major Projects

Program	Project
1. Stable Supply of Power and Energy Program	1. New Haripur Power Plant Development Project (I) (II) 2. Bheramara Combined Cycle Power Plant Development Project 3. National Power Transmission Development Project
2. National Transportation Network Improvement Program	4. The Kanchpur, Meghna and Gumti Bridges Project (I) (II) 5. Chittagong City Outer Ring Road Project 6. Bridge Management Capacity Development Project 7. Northern Bangladesh Integrated Development Project
3. Private Sector Development Program	8. Project for Promoting Investment and Enhancing Industrial Competitiveness
4. Urban Development Program	9. Khulna Water Supply Project 10. Inclusive City Governance Project

	11. Project for Capacity Development of City Corporations
5. Health System Strengthening Program	12. Maternal, Neonatal and Child Health (MNCH) and Health System Improvement Project 13. Health Services Strengthening Project 14. Project for Capacity Building of Nursing Services (Phase 1 and 2) 15. Maternal, Neonatal and Child Health Improvement Project (Phase 1) (Health, Population, and Nutrition Sector Development Program)
6. Improving the Quality of Education Program	16. JICA Support Program 3 for Strengthening Mathematics and Science in Primary Education Project 17. Project for Capacity Building on Human Development Television (HDTV) Programmes
7. Administrative Capacity Building Program	18. The Project for Strengthening Crime Prevention Capacity of Bangladesh Police 19. National Integrity Strategy Support Project Phase 2 20. Strengthening Paurashava Governance Project
8. Agriculture and Rural Development Program	21. Small and Marginal Sized Farmers Agricultural Productivity Improvement and Diversification Financing Project 22. Capacity Development Project for Participatory Water Resources Management through Integrated Rural Development 7. Northern Bangladesh Integrated Development Project
9. Disaster Prevention/Climate Change Measures Program	23. The Project of Improvement of Rescue Capacities in the Coastal and Inland Waters 24. Project on Promoting Building Safety for Disaster Risk Reduction 25. Renewable Energy Development Project

3. Evaluation Methodology

In this study, following the ODA Evaluation Guidelines (MOFA, 2021) and the ODA Evaluation Handbook (MOFA, 2023), we, the evaluation team, evaluated the "Relevance of policies," "Effectiveness of results," and "Appropriateness of processes" from (1) development viewpoints, and also "Diplomatic importance" and "Diplomatic impact" from (2) diplomatic viewpoints, considering the perspective of Japan's national interest. The details are as follows:

(1) Evaluations from Development Viewpoints

i. Relevance of Policies

Regarding Japan's comparative advantage, we focused on the views of Bangladesh side (government and implementing agencies) and other donors.

ii. Effectiveness of Results

The appropriateness of the inputs, outputs, outcomes, and impacts were verified. In addition to the initial plan (formulation of an objective framework summarizing all fields), the results of post-assistance verification after implementation were also summarized in an objective framework for each program unit in some fields. This is called the Theory of Change (ToC) diagram, which allows for a more transparent organization of pathways from projects that aim to solve social issues to outcomes and impacts. Moreover, aspects such as the environment, gender, and poverty were considered when confirming medium- to long-term impacts.

Furthermore, we endeavored to use a ToC diagram to measure the contribution of not only individual projects but that of a group of projects. Initially, we planned to evaluate Japanese programs ("Japan's Assistance Programs" in the Rolling Plan). However, we concluded that this would not be sufficient unless the Japanese projects covered most of the support in a single sector. It would be more appropriate to evaluate the contribution of Japanese projects within the framework of a larger program that includes other donors. Accordingly, the scope was not limited to "Japan's Assistance Programs" but became sector programs in which other donors also participate. In this study, we also referred to the recommendations of the "Review of Japan's ODA Evaluations from FY 2015 to FY 2021" to verify the validity of the results from the perspective of the "Development Cooperation Charter." Furthermore, as the new "Development Cooperation Charter" was approved by the Cabinet in June 2023, the perspective of the new Charter was incorporated into the analysis.

iii. Appropriateness of Processes

Recommendations were discussed in relation to the policy formation process by adding the program-level evaluation analysis results to the existing perspectives of these criteria.

The ratings for i through iii were conducted following the ODA Evaluation Handbook.

(2) Evaluations from Diplomatic Viewpoints

i. Diplomatic Importance

The "diplomatic importance" of the ODA was confirmed by examining how the

evaluated ODA is expected to contribute to Japan's national interests (i.e., why it is important to Japan's national interests, and the ODA's diplomatic significance).

ii. Diplomatic Impact

The "diplomatic impact" of the ODA was confirmed by examining how the ODA under evaluation contributed to the realization of Japan's national interests in line with the nature of the subject of evaluation.

(3) Recommendations and Lessons Learned

The recommendations and lessons learned are the concluding parts of the report, which should be considered as its cornerstone, along with the evaluation results. The following definitions (developed with reference to the ODA Evaluation Handbook) were used to identify persuasive and useful matters.

Recommendations: Advice on future project implementation in Bangladesh reflecting the results of this evaluation study (mainly addressing areas for improvement)

Lessons learned: Lessons useful for future ODA policy formulation and implementation processes for development issues in Bangladesh and other countries based on the findings of this evaluation study

(4) Objective Framework


The objective framework is a diagram (logic model) that systematically organizes and briefly presents policy goals based on various basic policies and plans related to ODA to verify the relevance of the policies and the effectiveness of the results within the scope of the evaluation target and period specified in the specifications (guide) of the work.

The evaluation team prepared this study's objective framework based on the "Rolling Plan for the People's Republic of Bangladesh (2018 and 2020)."¹

As described in "3. Evaluation Methodology," this study also endeavored to create an objective framework (ToC diagram) based on ex-post verification after various types of support were implemented.

¹ Newly adopted projects after April 2020 are also included.

Basic Policy (Purpose): Accelerating sustainable and equitable economic growth and getting out of poverty to become a middle-income country



Priority Area	Development issue (Objective)	Program	Projects subject to evaluation (Number of projects by scheme) Note1
1. Accelerating economic growth for the benefit of all citizens toward a middle-income country	1-1. Economic Infrastructure Development	1. Stable Supply of Power and Energy Program	L:12, G:0, T:2, DP:1 and so on
		2. National Transportation Network Improvement Program	L:21, G:2, T:13, Ex:1 and so on
	1-2. Private Sector Development	3. Private Sector Development Program	L:2, G:0, T:1, Ex:1 and so on
	1-3. Urban Development	4. Urban Development Program	L:9, G:0, T:9, Ex:0 and so on
2. Overcoming social vulnerabilities	2-1. Capacity Development	5. Health System Strengthening Program	L:6, G:4, T:4, Ex:0, JPP:3, GGP:13, NGO:4 and so on
		6. Improving the Quality of Education Program	L:0, G:9, T:3, Ex:2, GGP:5, NGO:4 and so on
	2-2. Administrative Capacity Building	7. Administrative Capacity Building Program	L:4, G:10, T:7, Ex:2 and so on
	2-3. Agriculture and Rural Development	8. Agriculture and Rural Development Program	L:4, G:5, T:6, Ex:3, JPP:2, NGO:8 and so on
	2-4. Disaster Prevention/Climate Change Measures	9. Disaster Prevention/Climate Change Measures Program	L:5, G:4, T:4, Ex:3, JPP:1, NGO:8 and so on
3. Others	3-1. Others	10. Others	L:0, G:6, T:0, Ex:0, GGP:1, NGO:5 and so on

Figure 1-1: Japan's Objective Framework for Bangladesh

Note 1.

L: ODA loans, G: Grant Aid, T: Technical Cooperation Projects, Ex: Dispatch of (JICA) Experts
GGP: Grant Assistance for Grassroots Human Security Projects, JPP: JICA Partnership Program
NGO: Grant Assistance for Japanese NGO Projects, DP: Technical Cooperation for Development Planning

4. Limitations of Evaluation

None in particular.

5. Evaluation Implementation Structure

Under the guidance of the Chief Evaluator and Advisor, the consultants collected, organized, and analyzed the information necessary for this study. Table 1-3 presents the composition of the evaluation team.

Table 1-3: Composition of the Evaluation Team

Role	Name	Affiliation/Position
Chief Evaluator	Keiko Nishino	Professor, School of Policy Studies, Kwansei Gakuin University
Advisor	Keiko Ikeda	Professor, Faculty of Global Interdisciplinary Science and Innovation, Shizuoka University
Chief Consultant	Ryujiro Sasao	Technical Advisor, IC Net Ltd.
Deputy Chief Consultant	Yukitoshi Matsumoto	Director, International Development Consulting Division I IC Net Ltd.
Consultant	Gen Hirota	Associate, International Development Consulting Division II IC Net Ltd.

6. Evaluation Period and Procedures

The study was conducted between April 2023 and February 2024. An evaluation implementation plan was completed at the first study meeting (May 2023). A literature review, remote interviews in Japan (April–September 2023), and field surveys (August–September 2023) were conducted. The data and information collected in these surveys were organized and analyzed, and the reports (in Japanese) and annexes (in Japanese) were completed after discussions at the second (October 2023) and third (November 2023) study meetings.

Chapter 2: Overview of Evaluation Subject

1. Overview of Bangladesh

Bangladesh is a country in South Asia that was formed through two successive periods of independence: the partition of India and Pakistan in 1947 and independence from West Pakistan in 1971. Bangladesh has a land area of approximately 147,000 square kilometers and a population of 169.35 million as of 2021. The majority of the population is Bengali, which is also the name of the national language.

Table 2-1: Basic Data on Bangladesh

Country name	People's Republic of Bangladesh
Area	147,000 square kilometers (about 40% of the land area of Japan) (Government of Bangladesh)
Population	169.35 million (World Bank, 2021)
Capital city	Dhaka
Ethnic Group	Bengalis comprise the majority of the population. Buddhist ethnic minorities, mainly the Chakma, inhabit in the Chittagong hills along the border with Myanmar.
Language	Bengali (national language), adult (15+) literacy rate: 75.6% (2020, Government of Bangladesh)
Religion	Muslims 88.4%, others (Hindus, Buddhists, Christians) 11.6% (Government of Bangladesh, 2020)

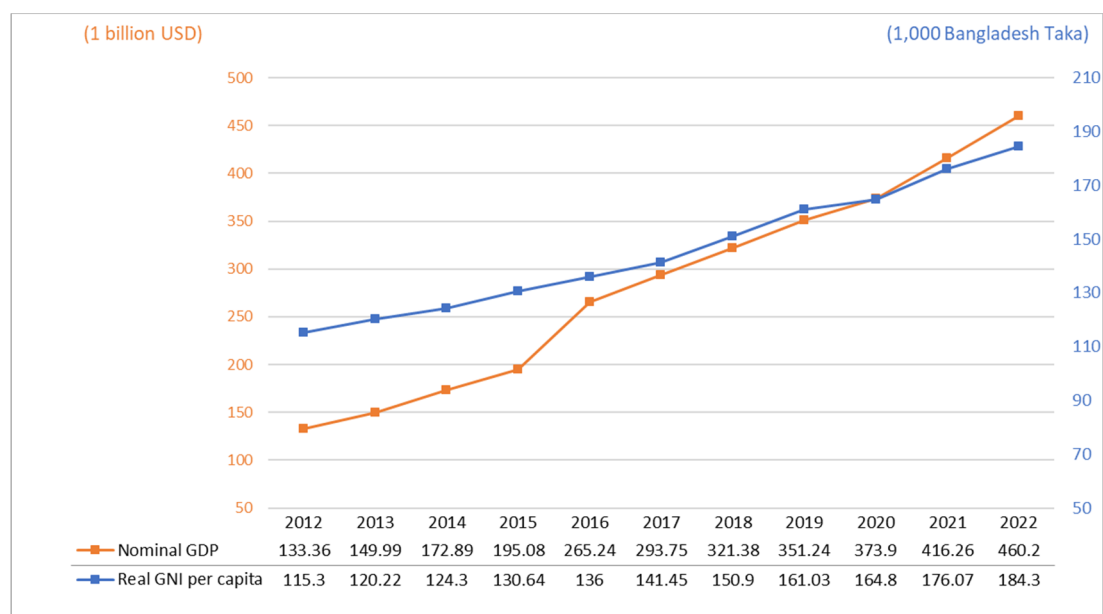
Source: Website of the Ministry of Foreign Affairs of Japan, People's Republic of Bangladesh Basic Data

(1) Political System and Domestic Politics

Bangladesh was established under the leadership of its first president, Bangabandhu Sheikh Mujibur Rahman, after gaining independence from West Pakistan in 1971. After the president was assassinated by military officers in a coup in 1975, military rule was imposed for an extended period. In 1990, the military regime of President Ershad was forced to step down, paving the way for democratization. In 1991, the constitution was amended to shift from a presidential to a parliamentary system, establishing the current political system in which general elections are held every five years, with some exceptions. To date, one of the two major political parties—the Bangladesh Awami League or Bangladesh Nationalist Party (BNP)—has been in power; since 2009, the Hasina-led Awami League has been in power.

(2) Economy and Finance

The Bangladeshi economy continues to expand and grow steadily, as shown in Figure 2-1, achieving a record GDP growth rate of 8.2% in FY 2019 (July 2018 to June 2019) and 6.9% in FY 2021.² The breakdown of GDP in FY 2021 is as follows: service sector (51.92%); industry/manufacturing (36.01%); and agriculture, forestry, and fisheries (12.07%).³



Source: Prepared by the evaluation team based on the World Bank's "World Development Indicators" (as of May 19, 2023)

Figure 2-1: Nominal GDP and Real GNI per Capita

The economy is driven by exports of sewn products and remittances from Bangladeshi workers abroad. Although the export value of sewn products gradually declined from 87.6% of total exports in FY 2019 to 86.8% in FY 2020 and 85.1% in FY 2021, it remains an important industry, recording approximately USD 25.5 billion in exports in FY 2021. Moreover, remittances into the country from Bangladeshis working abroad recorded approximately USD 24.8 billion in FY 2021, an increase of 36.2% over the previous year⁴.

Bangladesh's public finances are chronically in the red because of the government's weak tax collection capacity and revenue base, as well as governmental financial support for inefficient state-owned enterprises, which are compensated by foreign aid and borrowing from domestic banks.

² Ministry of Foreign Affairs of Japan, "People's Republic of Bangladesh Basic Data."

³ Ibid.

⁴ Ibid.

(3) Overview of Development in Bangladesh

Bangladesh has made steady progress in alleviating poverty against the backdrop of overall economic growth, as described above. According to the "Sustainable Development Report 2023, Bangladesh," the estimated percentage of the population living below USD 2.15 per day was 16.06% in 2010, 13.47% in 2015, 8.91% in 2020, and 5.32% in 2022.

Table 2-2 presents an overview of development in major sectors. In the health sector, the infant and maternal mortality rates, which are representative indicators of the sector, are decreasing (improving). In the education sector, the literacy rate is improving and opportunities to receive education are increasing. As for gender disparity, the ratio of "women to men in the period of education"⁵ is improving, going from 80.5% in 2015 to 83.7% in 2019. Furthermore, infrastructure development is steadily progressing in the electricity and transportation sectors, with the electrification rate reaching 97% in 2020.⁶ Support from donors, including Japan, has also contributed to the improvement of these indicators (discussed in detail in Chapter 3).

Table 2-2: Status of Improvement in Various Indicators

Field	Indicator	2015	2019
Health ⁷	Infant mortality rate under age 5 (per population of 1,000)	37.97	30.42
	Maternal mortality rate (per 100,000)	211.6	157.2
Education ⁸	Literacy rate (%)	87.89	94.86
	Secondary education completion rate (%)	69.8 (2013)	88.0 (2018)
Electric power ⁹	Installed power generation capacity (MW)	13,540	22,787
	Electrification rate (%)	74	92
Transportation (roads) ¹⁰	National roads (km)	3,813	3,906
	Local roads (km)	4,247	4,483

2. Development Policy in Bangladesh

The Bangladeshi government's basic development policy consists of a Perspective Plan and a Five-year Plan. The Perspective Plan sets out a roadmap

⁵ Average duration of education received by women aged 25 and older divided by the average duration of education received by men aged 25 and older.

⁶ Eighth Five-Year Plan, p.152

⁷ Sustainable Development Report, Bangladesh (<https://dashboards.sdindex.org/profiles/bangladesh>, as of October 1, 2023)

⁸ Ibid.

⁹ Seventh Five-Year Plan, Eighth Five-Year Plan

¹⁰ Bangladesh Economic Review 2023 (<https://mof.portal.gov.bd/site/page/28ba57f5-59ff-4426-970a-bf014242179e/Bangladesh-Economic-Review>)

for growth, whereas the Five-year Plan defines specific strategies. The following four documents describe the basic policies for the evaluation period in this study:

(1) Perspective Plan 2010–2021

The Perspective Plan, formulated in April 2012, set forth a vision for Bangladesh to become a middle-income country by 2021 and specified certain development priorities, including economic growth toward poverty reduction in a sustainable manner with no adverse impacts on the environment, efficient governance, addressing globalization and regional cooperation, ensuring a stable energy supply, building resilient infrastructure, and addressing climate change. As a result of pursuing this Perspective Plan, Bangladesh achieved an average GDP growth rate of 7% and was upgraded from a low-income country (LIC) to a low- and middle-income country (LMIC) in 2015. Bangladesh also met the graduation requirements for least developed countries (LDC) as recognized by the United Nations Development Planning Commission in 2018 and is scheduled to graduate from LDC status in 2026.

(2) Perspective Plan 2021–2041

The Perspective Plan, formulated in March 2020, states in its "Vision 2041" that Bangladesh will overcome extreme poverty and be upgraded to an upper-middle-income country (UMIC) by 2031 and a high-income country (HIC) by 2041. The Plan states that achieving these goals requires rapid economic growth through increased manufacturing capacity, innovation in the knowledge economy, and environmental protection.

(3) Seventh Five-Year Plan (2016–2020)

The Seventh Five-Year Plan, formulated in December 2015, together with the Sixth Five-Year Plan, prescribed specific strategies for achieving the Perspective Plan (2010–2021). This plan prescribed a comprehensive set of development strategies to accelerate GDP growth, create jobs, rapidly reduce poverty, and ensure people's participation and benefits, with the goal of sustainable development that can withstand climate change. The strategy consists of 14-point sectoral development strategies.

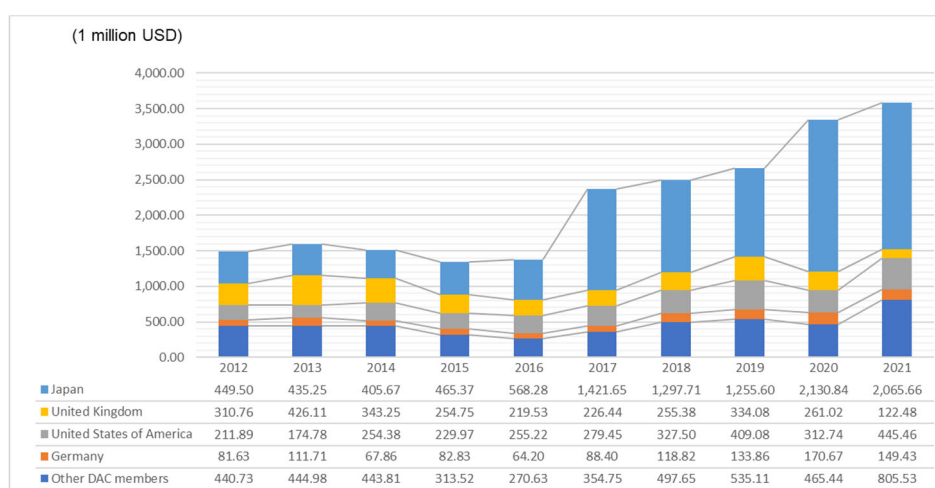
(4) Eighth Five-Year Plan (2021–2025)

The Eighth Five-Year Plan, formulated in December 2020, was designed to achieve Vision 2041, which aims to attain UMIC and HIC status by 2031 and 2041, respectively. The plan focuses on areas identified as challenges in the Sixth and Seventh Plans, as well as recovery from the damage caused by COVID-19.

3. Trends in Bilateral and Multilateral Cooperation to Bangladesh

(1) Trends in Bilateral Cooperation

The main bilateral donors for Bangladesh are Japan, the United Kingdom, the United States, and Germany, with aid from Japan increasing significantly since 2017, as shown in Figure 2-2. During this period, Japan's share of the total aid amount remained at approximately 50%.

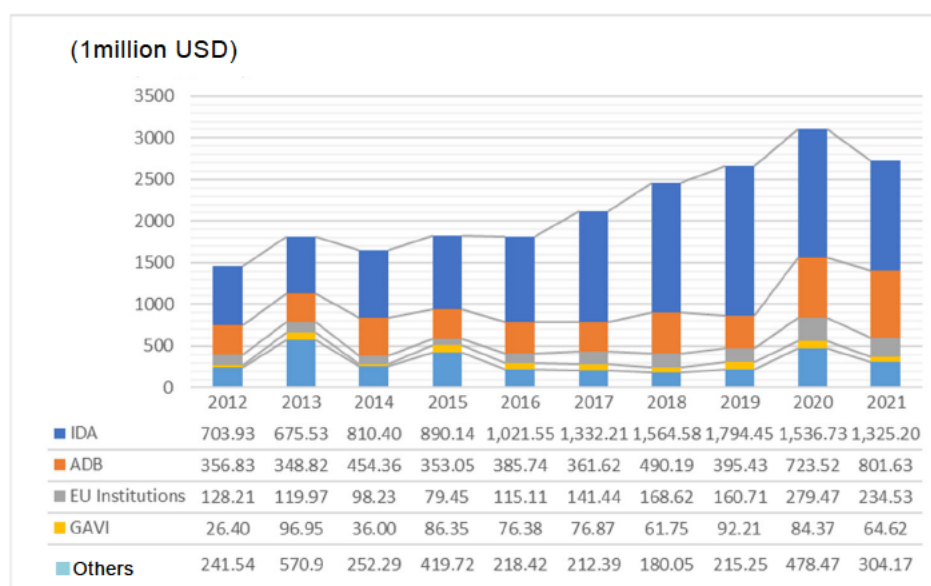


Source: Prepared by the evaluation team based on OECD, Creditor Reporting System (as of May 19, 2023)

Figure 2-2: Trends in Bilateral Cooperation to Bangladesh

(2) Trends in Multilateral Cooperation

The main donor agencies for multilateral cooperation to Bangladesh are the International Development Association (IDA), a member of the World Bank Group, the Asian Development Bank (ADB), EU agencies, and the GAVI Alliance, a private- and public-sector organization dedicated to improving public health through child immunization programs. As Figure 2-3 shows, the IDA accounted for the largest share of multilateral cooperation.



Source: Prepared by the evaluation team based on OECD, Creditor Reporting System (as of May 19, 2023)

Figure 2-3: Trends in the Amount of Aid from Multilateral Agencies to Bangladesh

4. Trends in Japan's ODA to Bangladesh

(1) Japan's ODA Policy toward Bangladesh

Japan formulated the Country Assistance Policy for the People's Republic of Bangladesh in 2012 and the Country Development Cooperation Policy for the People's Republic of Bangladesh in 2018. Table 2-3 compares the two policies. There were no major changes to the basic policy (overall goal) or priority areas. The points to be considered in the two policies are almost the same, but the 2012 policy refers to specific areas such as education, health, and governance (Point 1), whereas the 2018 policy clearly states the need for security measures in response to the deaths of Japanese nationals by a terrorist attack and the destabilization of the domestic situation (Point 4)

Table 2-3: ODA Policy for Bangladesh

	2012 Country Assistance Policy	2018 Country Development Cooperation Policy
Overall Goal	Accelerating sustainable and equitable economic growth and removing poverty in order to become a middle-income country Referring to the Sixth Five Year Plan (2011–2015) of the Government of Bangladesh	Referring to the 7th Five Year Plan (2016–2020) of the Government of Bangladesh
Priority Area (1)	Accelerating economic growth for the benefit of all citizens toward a middle-income country Referring to the Bangladesh government's policy goal of becoming a middle-income country by 2021	Referring to the Bangladesh government's policy goal of becoming a middle-income country by 2021

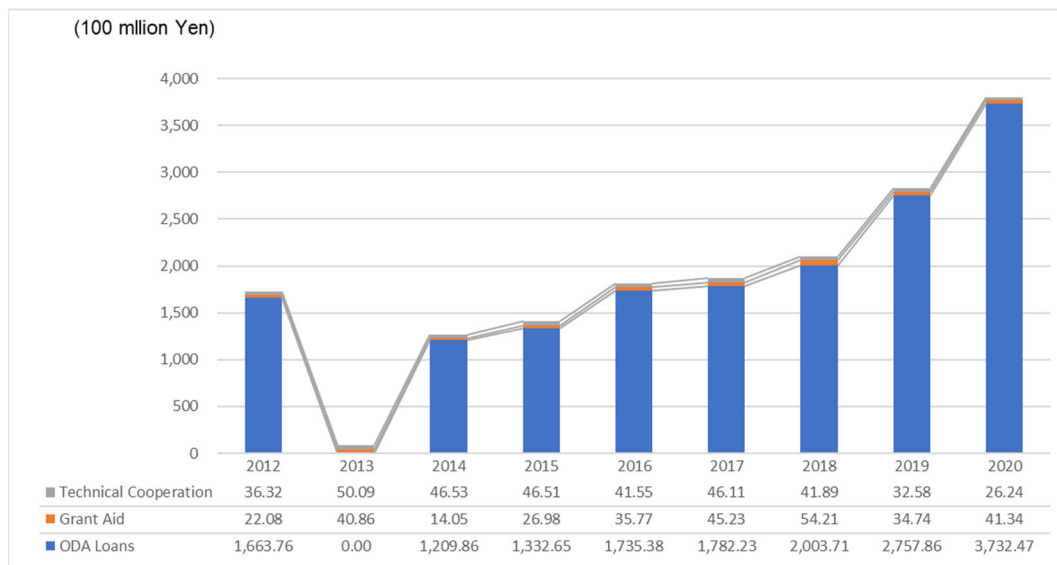
Priority Area (2)	Overcoming social vulnerabilities	
	Contribute to the achievement of MDGs such as poverty reduction, primary education, maternal and child health, and provision of safe drinking water	Contribute to the achievement of the SDGs on poverty, hunger, education, health, gender, water and sanitation
Point (1)	In Bangladesh, since cooperation among donors and agencies concerned is active, Japan will improve the effectiveness of bilateral assistance through close collaboration with donors and agencies. Japan will continue to play a leading role, especially in the areas of education and health.	In Bangladesh, since cooperation among donors and agencies concerned is active, Japan will improve the effectiveness of bilateral assistance through close collaboration with donors and agencies.
Point (2)	Proactively incorporate innovative approaches, such as partnerships with new businesses that aim for both economic growth and approaches to social issues such as the environment and poverty, and pay attention to the formation of projects that also consider the use of Japan's technological capabilities.	
Point (3)	Ensure that government functions are strengthened and administrative services are improved in all areas of support to improve governance, which has been a continuous challenge. In particular, for effective and efficient implementation of development assistance, transparency and accountability shall be ensured, by conducting thorough anti-fraud and anti-corruption measures in the implementation of appropriate procedures for procurement, expenditure management, auditing, and reporting.	Ensure that government functions are strengthened and administrative services are improved in all areas of support to improve governance, which has been a continuous challenge.
Point (4)		When implementing a support project, pay close attention to the safety measures of the people involved and take necessary safety measures.

Sources: Prepared by the evaluation team based on the "Country Assistance Policy for the People's Republic of Bangladesh" and "Country Development Cooperation Policy for the People's Republic of Bangladesh," Ministry of Foreign Affairs

(2) Japan's ODA to Bangladesh

Japan provides ODA loans, grant aid, and technical cooperation to Bangladesh, and as Figure 2-4 shows, ODA loans account for more than 90% of the total.¹¹

¹¹ The smaller figures for 2013 are due to the difference in fiscal years between Japan and Bangladesh.



Source: Prepared by the evaluation team based on the Ministry of Foreign Affairs' Country Data Collection 2021 (data from 2016 to 2020) and Official Development Assistance (ODA) Country Data Collection 2017 (data from 2012 to 2015).

Figure 2-4: Breakdown of Japan's ODA to Bangladesh

The main projects of the ODA loans are related to the development of transportation and traffic infrastructure, promotion of the efficient movement of people and goods, elimination of regional disparities, and increase in electricity supply through the development of power plants and transmission/distribution networks, in order to achieve the Priority Area 1 of the Country Development Cooperation Policy: "Accelerating economic growth for the benefit of all citizens toward a middle-income country." The number of projects has been increasing since 2014.

The grant aid focuses on projects related to health, education, and the supply of safe drinking water to achieve the Priority Area 2 "Overcoming social vulnerabilities" in the Country Development Cooperation Policy.

Technical cooperation has been used to develop various projects related to the Priority Areas of the Country Development Cooperation Policy, "Accelerating economic growth for the benefit of all citizens toward a middle-income country" and "Overcoming social vulnerabilities," but the aid amount for implemented projects has been on a downward trend since 2017.

among other factors.

Chapter 3: Evaluation Results

1. Evaluation from Development Viewpoints

(1) Relevance of Policies

Evaluation Summary: The projects implemented during the evaluation period were highly consistent with Japan's high-level policies (the Development Cooperation Charter and the Country Development Cooperation Policy for Bangladesh), the development needs of the country and its people as expressed in Perspective Plan of Bangladesh and Five-Year Plan, the Millennium Development Goals (MDGs)/Sustainable Development Goals (SDGs), and other international priority issues. Interviews with implementing agencies and other donors confirmed Japan's comparative advantage in implementing projects. Taken together, the relevance of the policies is rated as "Highly Satisfactory".

i. Consistency with Japan's High-Level Policies

High-level policies include the Development Cooperation Charter (2015) and the Country Development Cooperation Policy (2018). Based on these two policies, the Rolling Plan (2020), an individual assistance plan for Bangladesh, describes Japan's aid to Bangladesh in detail. The following is an assessment of the relationship between the two top-level policies and the Rolling Plan.

First, regarding the relationship between the high-level policies, the priority issues of the Development Cooperation Charter and the overall goal and priority areas of the Country Development Cooperation Policy (including the Rolling Plan) are closely related. Furthermore, the two priority areas of the Rolling Plan,¹² "1. Accelerating economic growth for the benefit of all citizens toward a middle-income country" and "2. Overcoming social vulnerabilities," consist of more specific development issues (a total of seven sub-goals¹³) that correspond very well to the "Priority policy issues by region" in the Development Cooperation Charter. Therefore, Japan's aid to Bangladesh is in line with the high-level policies.

On June 9, 2023, the Cabinet approved a new Development Cooperation Charter (hereinafter referred to as the "New Charter"). The New Charter basically follows the content of the previous Charter but has the following features:

- In the "Objectives of Development Cooperation," the New Charter emphasizes "To work together with developing countries to address development challenges of those countries and global issues common to all humankind based on equal partnerships."

¹² There is also "3. Others" as a priority area.

¹³ Economic infrastructure development, private sector development, urban development, capacity development, administrative capacity building, agricultural and rural development, and disaster prevention/climate change measures

- In the "Basic Policies," a new item, "Leading the dissemination and implementation of international rules and guidelines based on inclusiveness, transparency and fairness," is added to the three policy items¹⁴ of the previous Charter.

While the content of the "Priority Policies" is highly similar between the old and new Charters, some of the elements that are more emphasized or newly raised in the New Charter include the following:

- i) Strengthen socioeconomic autonomy and resilience, including food and energy security (for example, cooperation to strengthen and diversify supply chains and diversify the economy, supply resources sustainably, foster and protect technology, improve the investment environment, increase food production, and improve nutrition).
- ii) Strengthen efforts to solve issues through the promotion of data utilization and social implementation of digital technologies (promotion of digital transformation [DX]).
- iii) Efforts to maintain and strengthen a free and open international order based on the rule of law under the vision of the FOIP
- iv) Accelerate efforts to achieve the SDGs: Climate change and environment (such as promotion of climate change countermeasures), health (such as strengthening health systems in developing countries), disaster risk reduction (cooperation that also leverages Japan's expertise in disaster risk reduction), and education (quality education for all; empowerment of women, children, and youth; and ensuring educational opportunities in conflicts and disaster situations).

In particular, when examining the status of assistance to Bangladesh based on the four items above, the following are the detailed results:

- i) With regard to strengthening the autonomy and resilience of the economy and society, efforts are already underway through various programs included in "Priority Area 2" of the Rolling Plan.
- ii) With regard to DX, Bangladesh has launched initiatives such as the "Project for Strengthen the Capacity on Advanced Mapping of SOB for Building Digital Bangladesh" and the "Data Collection Survey on Cyber Security in Bangladesh" in line with the country's national policy of "Digital Bangladesh."

¹⁴ a. Contributing to peace and prosperity through cooperation for non-military purposes; b. Promotion of human security; c. Cooperation aimed at self-reliant development through assistance for self-help efforts as well as dialogue and collaboration based on Japan's experience and expertise

iii) Efforts are already being made in many fields to pursue the vision of the FOIP.¹⁵

iv) Regarding the acceleration of efforts to achieve the SDGs, "Consistency with the MDGs/SDGs" (c. (a) below) is discussed in detail.

ii. Consistency with the Development Needs of the Partner Country and its People

The Bangladeshi government's basic development policies are set forth in the Perspective Plan and Five-Year Plan. The government of Bangladesh set out a roadmap for growth in the Perspective Plan and defined specific strategies in the Five-Year Plan. The following four documents are relevant to the period covered by this study:

- Perspective Plan 2010–2021
- Perspective Plan 2021–2041
- Seventh Five-Year Plan (2016–2020)
- Eighth Five-Year Plan (2021–2025)

This study verified the consistency of Japan's assistance with the development needs of Bangladesh and its people by comparing the above four documents with the contents of the Rolling Plan; the consistency was evaluated as extremely high.

iii. Consistency with International Priorities

i) Consistency with MDGs/SDGs¹⁶

Regarding whether Japan's aid to Bangladesh conforms to the MDGs/SDGs, the cooperation programs listed in the Rolling Plan are closely related to five MDG targets and relevant to two of them. Moreover, the programs are closely related to 12 SDG targets and relevant to 3 of them. Thus, it is fair to say that Japan's aid is highly consistent with the MDGs/SDGs.

ii) Relevance to the International Community's Efforts and Aid Trends

During the five-year period under evaluation (FY 2018–2022), the two events

¹⁵ The three pillars of the FOIP are as follows: (1) the promotion and entrenchment of such objectives as the rule of law, freedom of navigation, and free trade; (2) the pursuit of economic prosperity (connectivity, strengthening economic partnerships including EPA/FTA and investment agreements); and (3) ensuring peace and stability by such means as building maritime law enforcement capacity, humanitarian assistance, and disaster relief.

¹⁶ The MDGs and SDGs were formulated in 2001 and 2015, respectively, prior to the period covered by this evaluation.

with the greatest impact on aid flows were the COVID-19 pandemic and Russia's invasion of Ukraine. Bangladesh was particularly affected by the former, as there were a large number of cases leading to a significant negative impact on the country's economy. However, Bangladesh recorded growth of 3.5% and 6.9% for the fiscal years 2019/2020 and 2020/2021, respectively¹⁷, while the global economic growth rate was -3.1% in 2020 and recovered to 6.0% in 2021¹⁸.

Since July 2021, Japan has provided Bangladesh with approximately 4.55 million doses of vaccines manufactured in Japan through the COVAX facility.¹⁹ Moreover, to financially support Bangladesh, Japan implemented Phases 1 and 2 of the "COVID-19 Crisis Response Emergency Support Loan" (Phase 1: JPY 35 billion; Phase 2: JPY 40 billion).

In response to Russia's invasion of Ukraine, a loan of up to JPY 30 billion, co-financed by the ADB, was provided as financial support for preventive measures for society and the economy, which were affected by the accompanying energy price hikes.

Japan also appreciates the Bangladeshi government's long-term acceptance of Rohingya displaced persons from Rakhine State, Myanmar, and has continued its support, including the alleviation of the burden on host communities.

Furthermore, the international community is showing increasing interest in extreme weather events and climate change. In this regard, under the "Disaster Prevention/Climate Change Measures Programs" of the Rolling Plan, Japan has been implementing several projects by integrating efforts from the perspectives of "prevention and reduction of disaster," "preparedness," and "emergency response, recovery, and reconstruction." Thus, Japan has provided timely assistance from the perspective of the international community's efforts and aid trends.

iv. Japan's Comparative Advantage

In the field of economic infrastructure, Japan has implemented many projects in Bangladesh and around the world. Japan's support in this field, where it has accumulated a wealth of experience and knowledge, is the use of Japan's comparative advantage from a macro perspective.

From a micro perspective, we examined whether major individual projects used Japan's comparative advantage in providing assistance, with an emphasis

¹⁷ Source: "Bangladesh Economic Review 2022" (The Government of Bangladesh)

¹⁸ Source: "Global Economic Prospects", <https://www.worldbank.org/ja/publication/global-economic-prospects>

¹⁹ An international framework for the joint purchase and equitable distribution of vaccines for COVID-19 among multiple countries

on the perceptions of the recipients of assistance.

The results of a questionnaire survey of the implementing agencies of the 25 main projects are as follows (23 agencies responded).

■ Comparative Advantages of Japan's aid (compared to other donors)²⁰

Obvious: 96%, Somewhat obvious: 0%, Unclear: 4%

The above and following responses indicate that Japan's aid has a comparative advantage regardless of the field. Interviews with other donors revealed Japan's strengths and contributions in multiple areas, including "primary education (teacher training and development of teaching materials)," "health and sanitation," "capital market development," "strengthening urban resilience and governance," and "infrastructure support."

Table 3-1: Detailed Status of Comparative Advantages of Japan's Assistance

Specific item of comparative advantage	Rate of institutions answering "yes" (%)
1. Low cost (grant aid or technical assistance, or moderate interest rate conditions on ODA loans)	87
2. The technological capabilities of Japanese companies in the field concerned	74
3. Management skills of Japanese companies (including good communication)	48
4. Technical skills of Japanese consultants/experts in the field (including good communication)	74
5. Strengths of Japan's ODA project management (Ministry of Foreign Affairs and JICA)	70
6. Uniqueness and strength of Japan's support that other donors do not have	
6-1. Combination of different schemes, e.g., technical cooperation and financial assistance	70
6-2. Respect for the requests of the partner country	70
6-3. Adherence to initial Japanese commitments	52

This reveals a full range of comparative advantages for the various items assumed. Regarding "management skills of Japanese companies (including good communication)," whose score was relatively low, an implementing agency pointed out that English-language skills on the Japanese side are somewhat weak.

(2) Effectiveness of Results

Evaluation Summary: Undoubtedly, Japanese ODA, as a major donor, has contributed to the social and economic development of Bangladesh. This contribution is particularly significant in infrastructure, power, and transportation. In human development, interviews with donors confirmed

²⁰ Percentage of all 21 valid questionnaire responses (21 projects).

Japan's considerable contribution to the education and health sectors. The performance of projects in other areas described in the Rolling Plan is generally favorable.

In terms of evaluation items, inputs for Bangladeshi assistance were appropriately allocated to areas of need, and outputs were generally appropriate by achieving the expected results. Moreover, the outcomes (goals of each project) were generally in line with the expectations.

Overall, therefore, the effectiveness of the results can be evaluated as "Satisfactory".

i. Appropriateness of Inputs in Support of Bangladesh

First, we will provide a quantitative overview of Japan's ODA inputs to Bangladesh. Among bilateral aid agencies, Japan ranked first in the amount of aid provided from 2018 to 2021 (in 2021, the U.S. ranked second and Germany ranked third). Even when international organizations are included in the comparison, Japan is still No. 1 for 2021, indicating its significant presence as a donor. Furthermore, Japan's aid to Bangladesh was approximately USD 1.687 billion in 2018-2021 on average,²¹ which translates to approximately JPY 219.4 billion (at USD 1.00 = JPY 130.00). Incidentally, Bangladesh's development budget for 2022 is 2,370.8 billion Bangladesh taka (about JPY 3,461.4 billion).²² Thus, Japan's annual assistance is equivalent to more than 6% of Bangladesh's development budget.

The Rolling Plan has three priority areas, which correspond to the high-level plan "Country Development Cooperation Policy for the People's Republic of Bangladesh" (however, there is no "Other" priority area in the policy). Regarding the amount of investment in the 281 projects under evaluation by priority area, it is concentrated in the Priority Areas of "(1) Accelerating economic growth for the benefit of all citizens toward a middle-income country " and "(2) Overcoming social vulnerabilities." In particular, there is a large allocation to Priority Area (1), which includes many programs involving the construction of large-scale facilities such as power/energy, transportation, and urban development. In Priority Area (2), there are many programs related to human resource development, such as education and health. As mentioned above, while there tend to be large inputs in infrastructure projects, in the case of education and health, projects are often small in inputs but have a significant impact. It should be noted that the amount of inputs does not necessarily indicate the effectiveness of the project in question.

Looking at the detailed status of each of the two priority areas, they are in line

²¹ Source: Evaluation team calculations based on OECD, Creditor Reporting System (as of May 19, 2023)

²² Source: Ministry of Foreign Affairs, "Bangladesh: Basic Data on the People's Republic of Bangladesh" (<https://www.mofa.go.jp/mofaj/area/bangladesh/data.html#section4>)

with and embody the objectives of the Country Development Cooperation Policy.

Finally, for each project,²³ we compared the amount of initially planned input (based on the ex-ante evaluation table) with the actual amount of input in the evaluation reports, such as terminal evaluation reports and the project completion reports. It was confirmed that the actual input amount was evenly distributed from "slightly over" to "slightly under," and that it was highly likely that the total input amount was actually on the scale described in the Rolling Plan.

In summary,

- The absolute value of Japanese inputs is significant and underpins Bangladesh's development budget.
- The distribution of Japan's inputs is balanced in a way that corresponds to the "Country Development Cooperation Policy" while combining "hard" (infrastructure aspects such as power, energy, and transportation) and "soft" (technical and institutional aspects such as education and health) inputs as appropriate. Overall, the inputs are designed to produce appropriate outputs to achieve the set goals and objectives.

ii. Appropriateness of Outputs in Support of Bangladesh

i) Degree of realization of plans: Of the 22 major projects for which the planned outputs and actual results could be compared, 16 (73%) were "high" and 6 (27%) were "achieved to some extent,"²⁴ indicating that the planned outputs were generally realized. In other words, planned activities were steadily implemented, resulting in an output. Although the project period was longer than originally planned in many cases, this was mostly due to the suspension or delay of activities caused by COVID-19 or delay of procurement procedures. It can be inferred that project activities were generally conducted smoothly.

ii) Effectiveness of outputs: The effectiveness of outputs can be inferred from how they contribute to the realization of outcomes. The contribution of the outputs to the outcomes was judged to be "strong"²⁵ in 16 of the 18 major projects for which information on the project implementation was available.

²³ Fourteen of the 22 completed projects out of 25 major projects for which input performance data were available.

²⁴ Based on a four-point scale of "high (>100% or 100%), achieved to a certain degree (<100%, >80% or 80%), underachieved (<80%, >60% or 60%) clearly underachieved (<60%)". The evaluation was based on the terminal evaluation and ex-post evaluation reports obtained or the responses to the questionnaire to the implementing agencies.

²⁵ The three options were "strong," "weak," and "unknown." The evaluation was based on the terminal evaluation and ex-post evaluation reports obtained or the responses to the questionnaire to the implementing agencies.

iii. Appropriateness of Outcomes and Impact

i) Outcome

Of the 21 major projects for which planned and actual outcomes could be compared, 15 (71%) were "high" in achievement and 5 (24%) were "achieved to a certain degree,"²⁶ indicating that the planned outcomes were generally realized. As shown above, the outputs contributed to the realization of the outcomes.

This study verified the validity of the results from the perspective of the Development Cooperation Charter (2015). The Charter mentions South Asia regarding "Priority policy issues by region," as follows:

- a. Cooperation for building the foundations for economic development through growth, including cooperation on improving trade and investment climate especially by developing infrastructure and strengthening connectivity
- b. Cooperation on basic human needs such as health care, sanitation and education
- c. Cooperation on socio-economic infrastructure development for narrowing the gap between the rich and the poor

The validity of the results related to a through c was confirmed for completed projects (22 projects) among the major projects (25 projects), as follows.

Table 3-2: Correspondence between Major Projects and the Three Priority Policy Issues by Region in the Development Cooperation Charter (2015)

a. Cooperation on improving trade and investment climate especially by developing infrastructure and strengthening connectivity			b. Cooperation on basic human needs such as health care, sanitation and education			c. Cooperation on socio-economic infrastructure development for narrowing the gap between the rich and the poor		
Effective	Somewhat effective	Not related ²⁷	Effective	Somewhat effective	Not related ²⁸	Effective	Somewhat effective	Not related ²⁹
9	4	9	10	4	8	6	6	10

A significant number of projects exhibited positive effects on the above Issues. Twenty-one of the 22 projects showed positive effects on one of Issues a to c

²⁶ Based on a four-point scale of "high (>100% or 100%), achieved to a certain degree (<100%, >80% or 80%), underachievement (<80%, >60% or 60%), and clearly underachievement (<60%)". The evaluation was based on the terminal evaluation and ex-post evaluation reports obtained or the responses to the questionnaire to the implementing agencies.

²⁷ "Not related" indicates a project that cannot be regarded as originally effective in resolving the issue in question due to differences in the relevant sectors.

²⁸ Ibid.

²⁹ Ibid.

("Effective" or "Somewhat effective"), indicating that the effectiveness of the results from the perspective of the Development Cooperation Charter was high.

ii) Impact

Concerning the impact of projects (Overall goal), it was difficult to clearly identify the overall status of the projects for the following two reasons (however, a clear impact was confirmed for some of the analyzed projects):

- Specific information applicable to impact indicators was not available.
- Impact indicators are very large scale, such as "local economic development," and in addition to the difficulty of obtaining information, it is difficult to verify the direct linkage with the project in question.

Although not a standard evaluation item in country assistance evaluation, this study checked the "sustainability" of major projects from two perspectives: I) Are the facilities constructed, equipment provided, and systems established still in operation, and II) Are the realized outcomes being maintained? Of the 22 completed projects (out of the 25 major projects), the implementing agencies of 20 projects responded to the questionnaire. 17 projects were found to be "operational," 1 was partially inadequate, and 2 were unapplicable³⁰ with regard to question I). With regard to question II), 17 projects were found to be "maintained," and 3 did not respond to the question or was not applicable, confirming the high overall sustainability of the projects.

In summary, as far as the major projects are concerned, each project was implemented as indicated in the Rolling Plan. In some cases, owing to the COVID-19 pandemic, the project implementation period was extended beyond the original schedule, but the projects did realize their outcomes (project objectives) (see above for the impact status).

1. Power: Three sectors in particular, power generation, transmission, and distribution, have been successfully implemented, and their contribution to Bangladesh's power sector, on the basis of final electrification rate and per capita power consumption, is high. The number of projects is big, and overall, they are extremely attentive to Bangladesh's needs. In interviews with other donors, the ADB and the U.S. Agency for International Development (USAID) have highly evaluated Japan's aid in this sector.
2. Transportation infrastructure: The "Northern Bangladesh Integrated Development Project" (NOBIDEP) has been very effective, ultimately leading to increased income for residents living along the road. "Bridge Management Capacity Development Project" also has a strong potential for

³⁰ For example, because the next phase has already started.

sustainability and development on the Bangladesh side after its completion. This sector is also considered to make a high contribution to Bangladesh. According to interviews with other donors, ADB and USAID highly evaluate Japan's aid in this sector.

3. Private Sector Development: The evaluation and satisfaction of the implementing agency are considerably high, especially with regard to the "Project for Promoting Investment and Enhancing Industrial Competitiveness".
4. Urban Development: In particular, the "Khulna Water Supply Project" has successfully implemented the planned water supply facilities and has achieved its targets regarding population and volume of water supply. Certain results have also been achieved in the two projects related to the city corporations.
5. Health System: Major projects are being implemented in response to the "Health, Population and Nutrition Sector Development Program" (HPNSDP), a national program in the health sector. Completed projects have been implemented successfully, and ongoing projects are generally being implemented smoothly. According to interviews with other donors, the World Bank's evaluation of Japan's projects is high, and it is a consensus of major donors and the implementing agency (Ministry of Health and Family Welfare) that approaches based on the above program are contributing to the improvement of the health and sanitation situation in Bangladesh.
6. Quality Improvement of Education: "JICA Support Program 3 for Strengthening Mathematics and Science in Primary Education Project" is achieving results regarding curriculum revision and creation of textbooks and teaching materials for elementary science and mathematics. The "Project for Capacity Building on Human Development Television (HDTV) Programmes" has also realized a high level of satisfaction within the implementing agency and is highly sustainable after the completion of the project. Japan's contribution in this sector is also highly evaluated by the World Bank and the United Kingdom.
7. Administrative Capacity Building: Outcomes are well realized in all three major projects. However, for "Strengthening Paurashava Governance Project," the continuity of the project after its completion and the status of its nationwide expansion are somewhat unclear.
8. Agriculture and Rural Development: "Small and Marginal Sized Farmers Agricultural Productivity Improvement and Diversification Financing Project" increased agricultural productivity of small and marginal farmers and realized good impact of increased farmers' income. "Capacity Development Project for Participatory Water Resources Management through Integrated Rural Development" did not fully achieve the originally planned outcomes, according to the evaluation at the end of the project, but capacity building and institutional development are being promoted in the extension phase, which is currently underway, and the originally planned outcomes are expected to be achieved.
9. Disaster Prevention: "The Project of Improvement of Rescue Capacities in the Coastal and Inland Waters" has achieved the expected results, including a significant improvement in rescue capability in coastal and inland waters. "Project on Promoting Building Safety for Disaster Risk Reduction" had achieved the project purpose "Capacity of implementation to construct

seismic resistant public buildings in urban area is enhanced" at the time of project completion.

In this study, we also checked the impact of the projects from the three perspectives of "environment," "vulnerable groups/the poor," and "gender," which are not overall goals of the projects but are important and are emphasized in the Development Cooperation Charter (2015). From these perspectives, each major project was evaluated using the following criteria (responses were collected from the implementing agencies of 22 projects):

(Environment)

No problem: Since the main activity is technical guidance and training, no negative environmental impact is expected.

Strong: The project has the potential to impact the environment, but possible measures are being taken and negative effects are minimal.

Weak: The project has the potential to affect the environment, and although measures have been taken, non-negligible or initially unanticipated adverse effects have developed.

(Gender Consideration)

The following statement is included in the "B. Principles for securing the appropriateness of development cooperation" of "Implementation principles" of Development Cooperation Charter. In light of this, the degree of consideration was evaluated on a relative scale of "strong," "certain consideration is given" and "weak".

"(f) Promoting women's participation

In the context of gender equality and greater role of women in development, Japan will encourage the participation of women at every phase of development cooperation and be more proactive in ensuring that women share equitably in the fruits of development, while giving consideration to the possible vulnerabilities of women and their special needs."

(Consideration for the Socially Vulnerable)

Strong: Socially vulnerable groups (the poor) are either I) the main target of the project or II) are included in the direct target, although not the main target, and special measures are taken for them.

Certain consideration is given: Although socially vulnerable groups are included in the target group, no special measures are taken for them.

The evaluation results were as follows, and it can be said that the degree of response to the Development Cooperation Charter was high in terms of impact, as defined above. However, concerning gender-related issues, the field survey confirmed that, although various efforts are being made by each implementing agency, the degree to which contributions to gender equality are emphasized varies from project to project. In terms of poverty, from a macro perspective, the

GDP of the country has been increasing steadily, but there is evidence that the Gini coefficient, which indicates the disparity between the rich and poor, is also increasing,³¹ so the situation is not necessarily optimistic.

Table 3-3: Response Status of Major Projects to the Three Items of Impact

Environmental Considerations (Note)			Gender consideration			Consideration for the socially vulnerable (poor)	
No problem	Strong	Weak	Strong	Certain consider- ation	Weak	Strong	Certain consider- ation
13	8	0	12	6	4	9	13

Note: There is one "unknown" case.

Gender-related issues are considered important in the new Development Cooperation Charter. Therefore, we confirmed the status of major projects (22 completed projects) by using the "gender classification" introduced in January 2018 in the project ex-ante evaluation tables. Because only 4 of the 25 major projects included the gender classification in the project ex-ante evaluation tables, we also used the results of various reports and interviews as a basis for judgment. The results were as follows, with many projects belonging to the "not applicable" category:

Table 3-4: Status of Compliance with Gender Classification of Major Projects

Gender-related issues			
Gender equality policy and institutional support projects	Projects mainly benefiting women	Activity integration projects	Not applicable
0	4	3	15

Furthermore, the status of gender classification was also confirmed for the entire set of projects newly adopted from April 2020 through FY 2022 (93 projects in total) that were not included in the Rolling Plan. The status of the 28 projects, excluding the 65 for which ex-ante evaluation tables were not prepared, is as follows:

³¹ According to "HOUSEHOLD INCOME AND EXPENDITURE SURVEY HIES 2022 (published by the Bangladesh Bureau of Statistics)," the Gini coefficient was 0.458 in 2010, 0.482 in 2016, 0.499 in 2022 and is gradually increasing.

Table 3-5: Status of Gender Classification Compliance in Newly Adopted Projects

Gender-related issues			
Gender equality policy and institutional support projects	Projects mainly benefiting women	Activity integration projects	Not applicable
0	0	19	9

An overview of the two tables shows that, among the four categories, the number of "activity integration projects"³² has increased significantly in recent years, suggesting that so-called gender mainstreaming has started to appear in actual project formation and implementation.

(Additional study item)

Although not a standard evaluation item for country assistance evaluation, this study was conducted as a trial program-level evaluation based on the belief that it would be beneficial in the future to identify the contributions of a large group of projects in each sector, rather than just evaluating individual projects. Initially, the following framework was established:

〈Evaluation Framework〉

- The evaluation of programs will be conducted not in all cooperation program areas in the "Rolling Plan" but in those areas that are important and easy to measure (power and transportation fall into this category). This is because if indicators cannot be set, the targets will be vague, and "evaluation" to compare the plan with actual results cannot be conducted.
- The scope of the program is not **limited to the cooperation programs in the "Rolling Plan" but should be the sector programs in which each donor participates**. JICA projects will have limited impact in a sector unless they cover most of the assistance in the sector. In other words, to properly evaluate the contribution of Japan's projects, we believe it is important to evaluate them within the framework of a larger program that includes other donors (see Figure 3-1).
- Indicators are basically the figures set by the beneficiary government for each field. For actual values of the indicators, the beneficiary government's national plan (e.g., Five-Year Plan), SDG Progress Report, project evaluation reports of other donors, and ex-post evaluation results of JICA's major projects will be effectively used. This eliminates the need to conduct

³² Projects that do not directly address gender equality or women's empowerment in the project objectives or overall goals, but that clearly state specific actions that contribute to gender equality and women's empowerment in the project's basic agreement document and explicitly incorporate indicators and other information in the project plan.

additional research and minimizes the amount of work required for evaluation and analysis.

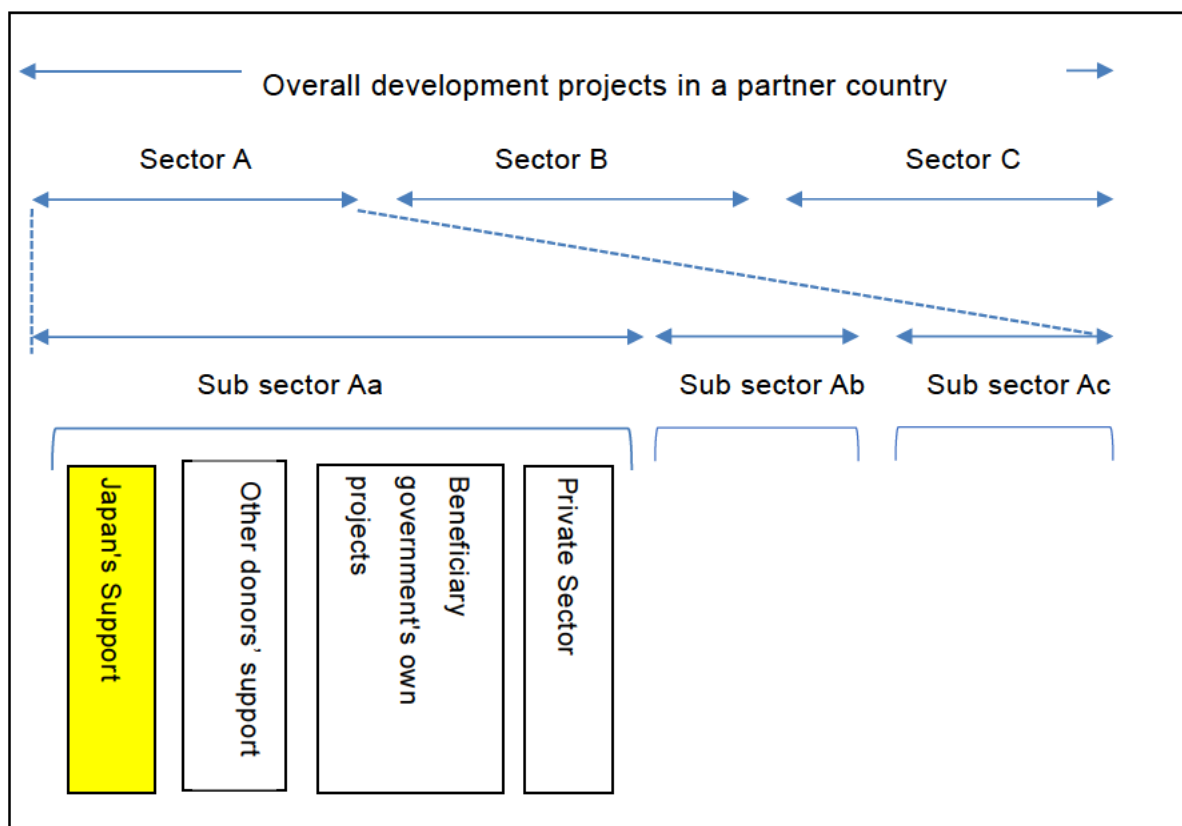


Figure 3-1: Relationship between Japanese Government-Supported Projects and Overall Development Projects in a Partner Country

Based on the above ideas, a Theory of Change (ToC) diagram summarizing the process of effectiveness in each sector was prepared and then analyzed in a workshop with key implementing agencies, major donors, and JICA officials in each sector in Bangladesh.

The workshop participants commented that a ToC diagram-based analysis is a useful way to evaluate sector programs, especially in the power sector. Therefore, we believe that a four-item evaluation³³ based on an analysis using the ToC diagram will continue to be feasible in the future in sectors where there is an existing Bangladeshi government program or master plan and where there are indicators for measuring the performance of the sectors in question.

³³ 1. level of achievement of program indicators, 2. appropriateness of program structure, 3. contribution of the sub-programs to the program, and 4. contribution of Japanese projects to the sub-programs that make up the program.

(3) Appropriateness of Processes

Evaluation Summary: The Country Development Cooperation Policy for Bangladesh and other aid policies are formulated through extensive discussions with the partner country and relevant stakeholders, and the process is appropriate. The policy implementation process is also appropriate regarding the degree to which the needs of the partner country are understood and regarding the implementation of detailed monitoring at the project level. There are no particular problems with the aid implementation structure, and there is good communication and coordination among various aid actors, including donors, international organizations, the private sector, and nongovernmental organizations (NGOs). Furthermore, consideration and ingenuity are given to the partner country's characteristics and peculiarities in project implementation. Taken together, the appropriateness of the process is rated "Satisfactory".

i. Appropriateness of the Aid Policy Formulation Process, Including the Country Development Cooperation Policy

i) Appropriateness of the Base for Formulating Country Development Cooperation Policy

The policy was completed in February 2018, with specific studies beginning mid-2017. It was drafted mainly by the Embassy of Japan in Bangladesh and Country Assistance Planning Division II, International Cooperation Bureau of MOFA. The Country Development Cooperation Policy was formulated based on the Development Cooperation Charter and reflected the objectives of the Charter. The Country Development Cooperation Policy reflects Bangladesh's development policies, as the Charter requests the Policy to reflect a developing country's development policies. The policy also reflects the discussions between Japanese and Bangladeshi officials as shown below and the exchange of views with other donors, NGOs, and related organizations.

ii) Status of Discussions and Exchanges of Opinions between Japanese and Bangladeshi Officials on the Formulation of the Country Development Cooperation Policy

The Embassy of Japan in Bangladesh holds daily exchanges of views on development cooperation with the Bangladeshi side. The Embassy and Country Assistance Planning Division II, International Cooperation Bureau of MOFA prepare the Policy based on sufficient understanding and full consideration of the views and needs of the Bangladeshi side.

iii) Status of Coordination and Exchange of Opinions with Other Donors, NGOs, and Other Relevant Organizations in Formulating Country

Development Cooperation Policy

Coordination and exchanges of opinions with other donors, NGOs, and related organizations will be basically conducted at the Embassy of Japan in Bangladesh. The content of the coordination and exchanges of views will be reflected in the policymaking and review processes by the Embassy.

Each "Rolling Plan for Bangladesh" takes about one year to prepare. The draft was prepared by the Embassy and the ODA Task Force and finalized by Country Assistance Planning Division II, International Cooperation Bureau of MOFA through discussions with relevant departments and requests for confirmation to the JICA Headquarters. Ideally, as a rolling plan, the plan should be revised by looking at the overall plan and making up for any shortfalls, but revisions are based on an analysis of the current situation at any given time.

ii. Appropriateness of the Policy Implementation Process

i) Appropriateness of Understanding the Needs of the Partner country

Bangladesh's needs are heard by the Embassy and JICA Bangladesh Office. Specifically, they are collected through daily communication with Bangladeshi government agencies; various meetings with Bangladeshi government agencies, donors, and NGOs in Bangladesh; basic information collection and confirmation surveys; and recommendations from experts and research teams. Moreover, Bangladeshi government reports and statistics, reports from other donors, media reports, seminars hosted by the Government of Bangladesh or donors, academic papers, and various surveys by the JICA are used to understand the direction and issues in each sector. In Japan, exchanges of views with the Bangladeshi Embassy provide an opportunity to understand the country's needs. These channels and information sources are used to understand the needs of the partner country.

ii) Appropriateness of the Project Implementation Monitoring Structure

On an individual project basis, monitoring is conducted by the Embassy of Japan and the JICA field office. JICA conducts monitoring as follows:

- Monitoring provider: The counterpart implementing agency and JICA (joint monitoring).
- Frequency of monitoring: Although there are differences between schemes and individual projects, monitoring is conducted regularly (such as monthly, quarterly, and semiannually).
- Monitoring method: The counterpart implementing agency and consultant prepare a monitoring report and submit it to JICA. In addition, meetings

are held with relevant parties as necessary to conduct monitoring.

- Utilization of monitoring results: If issues are identified through monitoring, necessary actions are taken depending on the situation.

Officials from the International Cooperation Bureau of MOFA may visit economic cooperation sites to check the implementation status of each project.

Individual projects are monitored meticulously, as described above. The quality of monitoring in Japan is highly evaluated by the implementing agencies. Furthermore, looking at the process of producing effect in major projects, it can be inferred that monitoring is conducted appropriately because, in many cases, the smooth implementation of activities leads to results (outputs) and project goals (outcomes). However, systematic monitoring and evaluation have not been implemented at the broader program level. It would be meaningful to conduct monitoring and evaluation not only at the project level but also at the program level and to publicize the results.

iii) Appropriateness of Such Undertakings as Public Relations

The Government of Japan has been striving to publicize its development cooperation in Bangladesh. The Embassy of Japan in Bangladesh issues press releases on project signing ceremonies and posts information on its website and Facebook page. The Embassy even gives the titles in Bengali to draw attention in Bangladesh. The Embassy also publicizes the messages both in Japanese and English to deliver them to the international community. The JICA Bangladesh Office has approximately 80,000 followers on Facebook and other social networking sites, which is the highest number among the JICA offices around the world. The JICA office also conducts PR activities through press releases and local PR consultants and has received extensive media coverage. Overall, the PR activities appear to have been adequately implemented.

iii. Appropriateness of the Aid Implementation Structure

i) Appropriateness of Local ODA Task Force Activities

The ODA Task Force is composed of the Embassy and the JICA Bangladesh Office (with JETRO participating as needed). There is a monthly "regular meeting" between the Ambassador and the Director of JICA Bangladesh Office to share issues, discuss policies, and confirm future schedules. Policy meetings are also held to prepare for a survey on the requests of Bangladesh.

The ODA Task Force meets once a month. The Embassy identifies issues related to ODA in advance, and the ODA Task Force is recognized as a very important forum for the exchange of opinions, including such preparatory

activities.

ii) Project Implementation Structure on the Japanese Side

The following describes the structure, from project formation and initiation to implementation supervision, for each of the major schemes:

Table 3-6: Implementation Structure of Major Schemes

Scheme	From project formation to the start of the project	Supervision of project implementation
Grant aid	Concerning Grant Aid for General Projects implemented by JICA, South Asia Department of JICA consults with Country Assistance Planning Division II, International Cooperation Bureau of the Ministry of Foreign Affairs (MOFA) about the project. MOFA examines the significance of the project from a diplomatic perspective, and holds a project planning meeting and a Development Project Accountability Committee meeting. After these meetings, JICA conducts a preparatory survey for cooperation. MOFA then holds a financial execution meeting with the Ministry of Finance, and if the Cabinet meeting decides to implement the project, the Government of Bangladesh and the Embassy of Japan in Bangladesh sign an Exchange of Notes (E/N), JICA signs a Grant Agreement (G/A), and the project begins. JICA Headquarters monitor the implementation of the project. The "Grant Aid for Economic and Social Development Programme," "Grant Aid Projects through International Organizations," "Emergency Grant Aids," "Grant Assistance for Japanese NGO Projects," and "Grant Assistance for Grassroots Human Security Projects (GGP)" implemented by MOFA will be carried out through actors such as procurement agencies, international organizations, Japanese/local NGOs, and local governments of the partner country, while MOFA and the Embassy supervise the entire project.	
Technical cooperation	The Embassy of Japan in Bangladesh, JICA Bangladesh Office, MOFA Headquarters, JICA Headquarters, and relevant ministries will decide on the adoption of the program by consensus, and JICA is responsible for implementation once it is adopted.	JICA Headquarters implements the project as the responsible organization, supported by the Bangladesh office.
ODA loans	South Asia Department of JICA makes a proposal to Country Assistance Planning Division II, International Cooperation Bureau of MOFA. MOFA examines the diplomatic significance of the proposal, and holds a project planning meeting and a Development Project Accountability Committee. After these meetings, JICA conducts a preparatory survey for cooperation. MOFA then consults with the Ministry of Finance, the Ministry of Economy, Trade and Industry, and JICA Headquarters, and if the Cabinet decides to implement the project, the Government of Bangladesh and the Embassy of Japan in Bangladesh sign an E/N, the Government of Bangladesh and JICA sign a loan agreement (L/A), and the project is launched.	After the L/A is signed, the JICA office supervises the implementation.

In Bangladesh, information is shared between the staff members of the Embassy and those of JICA Bangladesh Office. Between Bangladesh and Japan, the Embassy and Ministry of Foreign Affairs staff communicate and exchange information via e-mail and telephone daily. The JICA Bangladesh Office and the South Asia Department of the JICA Headquarters communicate on a daily basis via e-mail and telephone and hold monthly meetings led by managers to share information on progress, issues, and future plans related to overall projects and cross-cutting issues. Moreover, the JICA office has opportunities for office-wide study meetings and monthly information sharing, in addition to daily communication with experts on each project. In some cases, the office leads sector-specific study sessions to share sector-wide business strategies (attended by the headquarters, domestic organizations, JICA offices, and experts) and promotes collaboration among projects by deepening the understanding of other projects.

iii) Appropriateness of the Receiving and Participation Structure of the Partner country

The project implementation structure is clearly stated in the Record of Discussion (R/D) of technical cooperation and in the project plans (DPP³⁴ and TAPP³⁵) for securing the budget on the Bangladeshi side. The relevant agencies clearly understand the project implementation structure by approving each document. However, in technical cooperation, there is often a gap in the timing of the R/D and TAPP signing, which has been an obstacle to implementation in some cases. Additionally, there tends to be insufficient coordination among various government agencies, which can be a challenge in decision-making and project implementation when there are multiple implementing agencies.

The approval process for project plans (DPP and TAPP) tends to be complex and lengthy, and there are cases in which approval is delayed. Regarding the approved projects, however, project costs are properly shouldered by the Bangladeshi side, despite its LDC status.

iv. Effective Collaboration with Diverse Aid Actors, Including Other Donors, International Organizations, Private Sector, and NGOs

i) Cooperation with Other Donors and International Organizations

Local aid agencies regularly hold Local Donor Coordination Group (LCG) meetings, Strategic Executing Group meetings, and working-level meetings.

³⁴ Development Project Proposal

³⁵ Technical Assistance Project Proposal

Various stakeholders, such as international organizations, donors, NGOs, and private enterprises, exchange information and opinions in a coordinated manner. JICA co-chairs the LCG's Transportation and Transport Working Group. The meetings are considered effective for exchanging the latest information among donors, sharing opinions, coordinating support, and delivering donors' requests to international organizations and the Government of Bangladesh. In interviews with other donors, some expressed appreciation for JICA's contribution to health and education, where a Sector-Wide Approach (SWAp) has been adopted. This may be due to Japan's participation in SWAp and active participation in LCGs. There is also a track record of numerous loan projects co-financed with the ADB. On the other hand, there was the view that Japan, despite being a top donor, can be somewhat reserved and should show more leadership. At least the staff of the G7 countries recognize that co-chairing the LCG means taking a leadership role in that area. Japan is currently co-chairing the LCG on transportation, but some have said that its presence would be enhanced if Japan co-chaired other areas as well, or if it actively attended meetings and took a leading role. This may be a difficult proposition, given the current number of projects and the number of JICA Bangladesh Office staff, as well as the personalities and language skills of the Japanese. However, if at least the local staff and JICA experts could attend LCG meetings as much as possible, it would strengthen the ability of information broadcasting on the Japanese side.

ii) Collaboration through NGOs and the Private Sector

Regarding collaboration between NGOs and the private sector, implementing agencies of 11 out of the 25 major projects indicated that they collaborated with local NGOs and private companies.

Japanese NGOs have been providing assistance to Bangladesh through MOFA's Grant Assistance for Japanese NGO Projects and the Japan Platform (JPF). The amount of grant assistance to Bangladesh through Grant Assistance for Japanese NGO Projects increased from three projects in FY 2018 worth approximately JPY 64 million to seven projects in FY 2022 worth approximately JPY 260 million, although the amount fluctuated in between.³⁶ The JPF supports Bangladesh through the "Humanitarian Assistance to Displaced Persons in Myanmar." In FY 2018, 10 projects were implemented, with a total value of approximately JPY 740 million. The number of projects has since increased and

³⁶ "International Cooperation and NGOs: Results of Japanese NGO Grant Aid and Japan Platform Projects in FY2022", June 2023, Non-Governmental Organizations Cooperation Division, International Cooperation Bureau of MOFA

decreased, totaling approximately JPY 140 million across five projects as of FY 2022.³⁷

In addition to this NGO-driven support, we were also able to confirm collaboration between Japanese NGOs and JICA projects. For example, the "Strengthening Community Waste and Sanitation Management Capacity in the Poor Habitat of Mirpur, North Dhaka" implemented by World Vision Japan (WVJ) through the "Grant Assistance for Japanese NGO Projects" was planned and implemented based on the results of JICA projects ("Dhaka City Waste Management Capacity Strengthening Project" and "North and South Dhaka City and Chittagong City Waste Management Capacity Strengthening Project, Bangladesh"). WVJ's project targeted slum areas not covered by the JICA projects, and by linking it to the waste collection system established by the JICA projects, the outputs of the ODA project could reach poor areas that were otherwise difficult to reach.³⁸ Moreover, it was confirmed that the "Shapla Neer = Citizens' Committee in Japan for Overseas Support" shared its considerable experience and knowledge in providing assistance to Bangladesh alongside JICA when planning new projects.³⁹

v. Considerations and Innovations Based on the Characteristics and Features of the Partner Country

The following is a list of example responses to issues that have become particularly problematic in Bangladesh in recent years, in addition to issues that have already been identified as important in the Rolling Plan.

i) Rapid Urbanization and Population Growth Issues in Dhaka, the Capital of Bangladesh

Rapid urbanization and population growth in Dhaka have increased the risk of urban-type disasters such as earthquakes, fires, and floods caused by heavy rains. Under these circumstances, through JICA's Grant Assistance for Grassroots Humans Security Projects and Grant Assistance for Japanese NGO Projects, SEEDS Asia, a nonprofit organization, have been working with North Dhaka City Hall since 2016 to improve the disaster preparedness of local residents and ensure that people and communities are able to withstand disasters. Specifically, disaster preparedness training was conducted for leaders of local resident groups (such as condominium management associations, and youth groups) in each community responsible for disaster management. Furthermore,

³⁷ Ibid.

³⁸ Based on an interview with World Vision Japan

³⁹ Based on an interview with Shapla Neer

the project supported the creation of local disaster prevention plans with the aim of giving local residents a sense of ownership, improving their self- and mutual-help capabilities and incorporating disaster prevention activities into their daily lives.

Public transportation has not been adequately developed to meet the increasing demand for transportation due to population and economic growth, resulting in chronic traffic congestion and air pollution, especially in Dhaka. Japan supports the development of mass rapid transit (MRT), contributing to economic development and improvement of the urban environment.

ii) Issue of Rohingya Displaced Persons

Regarding displaced persons from Rakhine State, Myanmar, Japan appreciates the Bangladeshi government's long-term acceptance of displaced persons and conveyed at summit and other meetings that it will continue to provide assistance, including reducing the burden on host communities. To support host communities and displaced persons, Japan has been implementing the "Project for Livelihood Improvement for Enhancing Resilience in Host Communities in Cox's Bazar," a JICA Partnership Program, in addition to Grant Aid Projects through International Organizations and Emergency Grant Aid. Other donors greatly appreciate Japan's support on the Rohingya issue.

iii) Responding to the COVID-19 Pandemic, Ukraine Crisis, and Other Associated Risks

In Bangladesh, the number of people infected with COVID-19 has increased since the first case was confirmed on March 8, 2020. Measures have been taken to control the spread of the virus, including voluntary restraints on going out, travel restrictions, and the suspension of economic activities. As a result, many people became unemployed and the value of exports from the garment industry, which supports the Bangladeshi economy, dropped sharply, increasing the risk of worsening economic conditions and further aggravating poverty. In response, Japan provided financial assistance, totaling JPY 75 billion, on two occasions to control the spread of the disease. In addition, a loan of up to JPY 30 billion, co-financed by the ADB, was provided as a precautionary measure to address the social and economic impacts of the subsequent crisis in Ukraine and the accompanying energy price hikes.

iv) Necessity of Industrial Diversification and High Value-Adding

Bangladesh's sewing industry continues to account for more than 80% of its

exports, making it susceptible to the economic trends of major export destinations such as Europe and the U.S. Because the LDC special preferential tariff will no longer apply to Bangladesh, once it graduates from LDC status after 2026, it is necessary for Bangladesh to develop industries beyond the sewing industry for the sake of economic stability and further economic development. Specifically, future tasks include improving people's access to financing and continuing to provide support for the improvement of processing technology toward industrial diversification, with the aim of strengthening the agricultural sector, including the food processing and fisheries industries, which have high growth potential.

2. Evaluation from Diplomatic Viewpoints

(1) Diplomatic Importance

Evaluation Summary: Japan's assistance to Bangladesh is highly relevant to the MDGs/SDGs and is of great importance to the international community. Japan's assistance over the past 50 years has contributed to Bangladesh's development, and its bilateral relationship with Bangladesh is extremely close, as Japan is regarded as the largest bilateral development partner. Moreover, the Government of Bangladesh's tough stance against terrorism has helped ensure the safety of Japanese residents in the country. Japan's technical cooperation implemented in recent years has contributed to the safety of the people in both countries.

i. Importance in the International Community

As mentioned above, Japan's aid to Bangladesh is closely related to five items of the MDGs and has a certain relevance to a further three of them. Moreover, Japan's aid to Bangladesh is closely related to 12 items of the SDGs and has a certain relevance to another 2 of them, making Japan's aid highly consistent with the MDGs and SDGs. The Japanese government's support, in line with international development goals, and the Government of Bangladesh's proactive efforts contribute to the country's achievement of the SDGs and the realization of a sustainable and better world.

ii. Importance of Bilateral Relations

Japan has maintained friendly bilateral relations with Bangladesh since recognizing the country as a sovereign state on February 10, 1972, shortly after its independence. It has provided economic assistance such as food aid and infrastructure development support, as well as political support for Bangladesh joining the United Nations.

In a joint statement issued at the April 2023 summit meeting with Prime

Minister Kishida, Prime Minister Hasina expressed her sincere gratitude for Japan's tremendous and effective support over the past 50 years as Bangladesh's largest bilateral development partner and acknowledged that the Japanese assistance had contributed greatly to Bangladesh's LDC graduation. The two leaders announced elevating the "Comprehensive Partnership" launched by Prime Minister Sheikh Hasina and then-Prime Minister Abe in 2014 to a "Strategic Partnership" and further strengthening of cooperation to realize the FOIP. On the occasion of 50th anniversary of the establishment of diplomatic relations with Bangladesh, the Government of Japan plans to further promote the strengthening of relations with the country, which has traditionally been pro-Japanese. Accordingly, further advancement of bilateral relations and enhanced Japan's presence in Bangladesh are expected.

Bangladesh is building relationships with emerging economies because of its geopolitical importance and potential for economic development. In particular, it is strengthening cooperation with China, its largest import partner, in the infrastructure sector, as evidenced by the start of the construction of the Dhaka-Ashulia Elevated Expressway in November 2017 in cooperation with Chinese companies. Japan remains Bangladesh's largest bilateral aid donor and its presence remains overwhelming, but it will be necessary to keep a close eye on how the development of relations with China will affect bilateral relations with Japan in the future.

iii. Peace, Security, and Prosperity of Japan (the Japanese People)

In Bangladesh, there was a series of attacks targeting foreigners and infidels (followers of sects other than Sunni Islam and other religions), including the shooting of a Japanese national in October 2015 and a statement by the extremist group Islamic State of Iraq and the Levant (ISIL). Furthermore, in July 2016, a terrorist attack occurred in the capital city of Dhaka in which a group of armed men attacked a restaurant mainly frequented by foreigners, killing 22 people, including 7 Japanese. In response, Prime Minister Sheikh Hasina adopted a "zero tolerance" policy toward terrorism and has been monitoring terrorists and members of militant groups and conducting crackdowns on their bases in an effort to weaken and neutralize militant groups. Consequently, since the terrorist attacks in Dhaka, no terrorist attacks have harmed Japanese nationals, and the number of Japanese companies operating in the region has been increasing. The ongoing Japanese technical cooperation "The Project for Strengthening Crime Prevention Capacity of Bangladesh Police" aims to strengthen the security system of the Bangladesh Police by developing security guidelines/manuals,

improving security capacity improvement training plans and training modules/materials, and developing a security equipment improvement plan. The project has been successfully implemented, and the improved security capacity is expected to contribute to the increased stability of public security and the safety of Bangladeshi and Japanese residents.

(2) Diplomatic Impact

Evaluation Summary: Japan's continuous support of Bangladesh has led to benefits in the form of support and solidarity with Japan in the international community. Furthermore, the exchange of human resources between the two countries at various levels through the implementation of diverse projects, coupled with the success of the projects, has fostered a sense of familiarity and friendship with Japan in Bangladesh. Furthermore, ODA projects in Bangladesh have contributed to ensuring peace and security in Japan and the safety of Japanese citizens and have a ripple effect on the Japanese economy.

i. Contribution to Enhancing Japan's Presence in the International Community

Bangladesh has demonstrated an understanding of Japan's position in the international community and contributed to enhancing Japan's presence in the same.

For example, Bangladesh has supported Japan in many international elections and resolutions, including its election as a non-permanent member of the UN Security Council. Moreover, the importance of nuclear disarmament and non-proliferation was reaffirmed at the G7 Summit in Hiroshima in May 2023. Prime Minister Sheikh Hasina said during her visit to Japan that she would cooperate with Japan regarding nuclear disarmament and non-proliferation.

The Government of Japan has also emphasized connectivity in South Asia as an important theme in the FOIP. During his summit meeting with Prime Minister Hasina, Prime Minister Kishida expressed his hope that bilateral cooperation under the Bay of Bengal Industrial Growth Belt (the Initiative of BIG-B) initiative would be organically linked to the development of northeastern India to create synergies. In response, Prime Minister Sheikh Hasina welcomed Japan's commitment to a free, open and rule-based international order and confirmed a cooperative relationship to realize the FOIP. Among the three pillars of the BIG-B initiative, "economic and infrastructure development" and "increased connectivity" are areas where Japan has a strong comparative advantage, and its contributions are recognized by Bangladesh and bilateral aid agencies such as

USAID. Regarding the last pillar, "Improvement of the investment environment," interviews with JETRO and other sources have confirmed that Bangladesh is promoting the development of industrial human resources and digitalization.

ii. Contribution to Strengthening Bilateral Relations

Japan is the top donor of bilateral development cooperation agencies in Bangladesh and its promotion of quality infrastructure is well known. For example, large-scale infrastructure projects (ODA loans) such as the MRT, Dhaka airport's Terminal 3, and the Matarbari development, in which Japanese companies are involved in construction, tend to be widely covered in the media.

Bilateral relations between Japan and Bangladesh have also been strengthened through government-to-government official visits, assistance in emergency situations including disasters, and grassroots cultural exchanges.

The Governments of Japan and Bangladesh have sent dignitaries on annual visits for the past 10 years, with the exception of 2020.⁴⁰ Prime Minister Sheikh Hasina has visited Japan four times over the past 10 years (2014, 2016, 2019, and 2023). The dispatch of the Japan Overseas Cooperation Volunteers (JOCV) suspended after the terrorist attacks in 2016 was resumed in September 2023, which was covered and welcomed by both the Japanese and Bangladeshi media.

In April 2023, Prime Minister Hasina expressed her gratitude for Japan's support over the years and her hope to deepen cooperation between the two countries in areas such as digitization. She also emphasized Bangladesh's geographical proximity to the huge markets of South and Southeast Asia and expressed hope for further expansion of Japanese companies and the early conclusion of an Economic Partnership Agreement (EPA), which is expected to strengthen bilateral relations in all areas, including the economy.

Furthermore, bilateral relations have been strengthened through emergency assistance during crises and disasters. Since 2017, the Government of Japan has continued to provide assistance to displaced persons from Rakhine State, Myanmar, who entered Bangladesh because of deteriorating security conditions, as well as the host communities. In July 2020, Japan provided approximately 4.55 million doses of a COVID-19 vaccine manufactured in Japan to support early containment of the virus. Additionally, in 2023, Japan provided emergency grant assistance for cyclone damage. Meanwhile, after the Great East Japan Earthquake of 2011, Bangladesh provided emergency assistance to Japan, including the provision of relief supplies (2,000 blankets, 500 pairs of rubber boots,

⁴⁰ In 2020, there were no dignitary visits owing to the COVID-19 infection, but a summit teleconference was held.

and 1,000 pairs of rubber gloves), USD 2 million in donations, and letters from Prime Minister Hasina and other key government officials. These assistances helped strengthen the relationship between two countries.

iii. Contribution to Japan's Peace, Security, and Prosperity (Including Economic Development)

i) Contribution to Ensuring the Peace and Security of Japan and the Safety of the Japanese People

Bangladesh, located at a strategic juncture linking Southeast Asia and the Indian subcontinent, is an important partner for Japan in realizing the FOIP. As a moderate Muslim democracy and traditionally pro-Japanese country, Bangladesh's economic growth and stability are important for peace and stability not only in Southwest Asia but in all of Asia, including Japan.

ii) Spillover Effects on Japan's Economy (Economic Growth and Employment)

Since Prime Minister Abe announced a JPY 600 billion economic development assistance package in 2014, infrastructure-related projects have been promoted, and Japanese companies, particularly those in the construction industry, have moved into Bangladesh. According to Bangladesh SEZ Ltd., which develops and operates the BSEZ, as of June 2023, there are currently inquiries from approximately 40 companies, mainly Japanese.⁴¹

⁴¹ JETRO Distribution News, <https://www.jetro.go.jp/biznews/2023/06/cfe11ef09b562ecd.html>

Chapter 4: Recommendations and Lessons Learned

1. Recommendations

The following is a four-point summary of our advice through this study. The points mainly pertain to areas that need improvement in future project implementation in Bangladesh.

Recommendation 1: Accelerate economic growth that benefits low-income groups and all citizens, by continuing to expand and improve the quality of economic infrastructure, and supporting the upgrading and diversification of industry and employment associated with economic growth.

- **Rationale:** To achieve the goal of Priority Area 1 "Accelerating economic growth for the benefit of all citizens toward a middle-income country," the following development issues have been identified: 1-1. economic infrastructure development (electricity and transportation), 1-2. private sector development, and 1-3. urban development. The field survey confirmed that economic infrastructure development has achieved excellent results not only in the development of electricity and transportation facilities but also in the strengthening of maintenance, operational, and administrative capacity. The private sector is also being developed, with the target being formal forms of industry and employment (such as the "Project for Promoting Investment and Enhancing Industrial Competitiveness"). On the other hand, there is information that the Gini coefficient, which measures the disparity between the rich and the poor, is increasing. This is somewhat contrary to the principle of "leaving no one behind" in SDGs which the Bangladeshi government also upholds. Therefore, it is important to implement projects that do not widen the income gap between urban and rural areas in order to control the widening gap between the rich and the poor, which is expected to result from future growth. It is necessary to promote projects to strengthen domestic connectivity, such as the "Northern Bangladesh Integrated Development Project"; projects to promote the development of industrial parks and investment, such as the "Project for Promoting Investment and Enhancing Industrial Competitiveness," which will lead to increased employment, including among the poor; and projects to promote small farmers, such as the "Small and Marginal Sized Farmers Agricultural Productivity Improvement and Diversification Financing Project." Moreover, it would be effective to foster manufacturing industries following the sewing industry (e.g., technical

support to increase the added value of footwear, pharmaceuticals and processed foods, whose export volume is high and growing, and home appliances for the domestic market), and to support productivity improvement for managers through training programs using cooperative organizations of small and micro businesses, especially in the service industry (wholesale and retail businesses in local cities).

- Recommended to: Ministry of Foreign Affairs of Japan, JICA, Government of Bangladesh
- Period for implementing the recommendation: medium to long term (efforts over at least three years are required)

Recommendation 2: Spread the results of strengthening administrative capacity and systems at the central level throughout the country by strengthening commitment and ownership in central ministries and the foundation for local deployment (systems and budgetary allowances).

- Rationale: Visits to the implementing agencies, the central ministries (e.g., Roads and Highways Department, Roads Division, Ministry of Communication (RHD), and Ministry of Health and Family Welfare (MOHFW)), confirmed that there has been a marked increase in commitment and ownership, as well as significant achievements in maintaining facilities on the ground and strengthening capacity to operate the system. In other projects, if the results realized by the central government can be reproduced in local administration (on the ground), it will be possible to accelerate growth toward middle-income countries while reducing the gap between urban and rural areas. In the field survey, however, there was a case in the area of governance in which admirable strategies and activity plans were well prepared at the central government level, but the realization of these strategies and their nationwide deployment have stalled.
- Recommended to: Ministry of Foreign Affairs of Japan, JICA, Government of Bangladesh
- Period for implementing the recommendation: short term (can be implemented within one to two years)

Recommendation 3: Scrutinize and strengthen the monitoring of project activities in the direction of contributing to gender equality at the project-formulation stage so that the activities can more actively contribute to the reduction of gender disparities through the empowerment of women. In particular, strengthen

women's empowerment in employment and governance.

- Rationale: The field survey revealed that the degree of emphasis on gender equality varied from project to project. In Bangladesh, after the social gender analysis was conducted at the project approval stage (when the project plans [DPP and TAPP] were formulated by the Government of Bangladesh), it seems that the actual impact and contribution of the project were not analyzed well in the monitoring at the implementation stage. Moreover, with the exception of some of the projects interviewed (e.g., the Northern Bangladesh Integrated Development Project), the projects are still in the passive stage, such as confirming that women and the poor are not excluded from the beneficiaries and improving the gender ratio in the implementation structure units. There do not seem to be sufficient undertakings to actively transform the country into a more gender-equitable society. Sectorally, there is a rapid reduction in gender disparities and an improvement in the situation of women, especially in social sectors such as health and education. However, challenges persist in economic and political sectors such as employment and governance.

In terms of employment, although the labor force participation rates of women have improved in recent years, they remain lower compared to men. It is desirable to provide skills training that includes a broader range of content, to improve childcare and daycare services and facilities for workers, and to create an environment that ensures safety at workplaces and during commuting.

Regarding women's participation in the governance sector, there is a reservation system for women members in the National Diet and local assemblies. There appears to be progress in terms of numbers, with a certain percentage of women serving on various committees established at various levels of local government and community-level user groups. However, there are concerns that participation has become a mere formality. Support is needed to enable women to take on responsible roles and achieve meaningful participation in political arenas and various participatory forums related to the implementation of development projects.

- Recommended to: Ministry of Foreign Affairs of Japan, JICA, Government of Bangladesh
- Period for implementing the recommendation: medium to long term (efforts over at least three years are required)

Recommendation 4: It is both meaningful and possible to introduce program-level evaluation⁴². In the actual evaluation, it would also be effective to consider sector programs in which each donor participates rather than limiting the program's scope to cooperation programs in Japan's "Rolling Plan." In the future, further methodology development is desirable; for example, by creating Theory of Change (ToC) for each sector at the program planning stage, confirming the position of each project in the sector, and establishing indicators.

- **Rationale:** The public's view of ODA is becoming increasingly rigorous, reflecting the current difficult economic situation in Japan. In response, it would be highly effective to appeal to the public the effectiveness of ODA by demonstrating not only the success of individual project units but also their contribution to the partner country's sectors as a whole.

During the course of this study, we evaluated programs in the power and road sectors. The following findings were obtained:

JICA's cooperation programs and the projects that comprise them alone cannot have a national-level effect on a specific sector unless the Japanese government's ODA projects cover most of the assistance in that sector. By clarifying the process of realizing the effects and including other donors supporting specific sectors, it is possible to evaluate the contribution of Japan's projects to the sector as a whole.

- **Recommended to:** Mainly Ministry of Foreign Affairs of Japan and JICA
- **Period for implementing the recommendation:** short term (can be implemented within one to two years)

2. Lessons Learned

Through this study, we have identified five lessons that we believe will be useful in the future not only for Bangladesh but also for other countries in the process of formulating and implementing ODA/cooperation policies. We considered three perspectives: novelty, feasibility, and effectiveness.

⁴² If it is possible to assess the Sector Program in certain areas, it is desirable to first conduct that assessment and then evaluate the Cooperation Program by integrating individual project evaluation results. Additionally, even in areas where evaluation of the Sector Program is challenging due to factors such as insufficient indicators or information, it is still possible to evaluate the Cooperation Program by integrating individual project evaluation results. It should be noted that when conducting an evaluation of the Sector Program, it is a prerequisite that there exists a sector program of the government of Bangladesh or a master plan, and there are measurable indicators for assessing the performance of the relevant sector.

Lesson 1: Improved durability of facilities through quality infrastructure construction and quality maintenance capabilities

Successful Case: Bridge Management Capacity Development Project

In this project, in addition to the construction of bridges, the implementing agency was provided with a set of maintenance and management technologies that incorporated advanced techniques and systems for repair and inspection, thereby strengthening its capacity to contribute to the improved durability of the facilities. Before this project was implemented, the practice of the implementing agency was to simply "repair when damaged," but this project has led to a change in mindset within the organization; that is, repair and maintenance management are important strategies for the implementing agency, which has also led to an increase in the maintenance management budget.

Lesson 2: Comprehensive economic empowerment support for women that is accessible to beneficiaries

Successful Case: Northern Bangladesh Integrated Development Project

In addition to the preferential employment of women for road repair and construction, which has traditionally been seen in ODA projects in other countries, this project employed a method in which a portion of the remuneration was saved and returned as a lump sum after a certain period. At the same time, vocational training for employed women to start their own businesses and the provision of space for retail premises in markets led to the emergence of a certain number of women entrepreneurs. As a result, women's gains were not limited to a temporary increase in incomes; they have been able to continuously advance in society and improve their social status. Thus, it is effective to create a system in which support for women is not limited to specific functions (e.g., vocational training, finance) but is more comprehensive, and the effects are sustainable.

Lesson 3: Synergy effects of connecting urban and rural roads

Successful Case: Northern Bangladesh Integrated Development Project

This project was the first to link urban and rural roads in Bangladesh; it aimed to achieve synergistic effects. A Benefit Monitoring and Evaluation Service (BME) study conducted in conjunction with the project confirmed that traffic volumes increased more when urban and local roads were connected than when they were built independently. Further implementation of projects linking urban and rural areas is expected to stimulate the country's economy.

Lesson 4: Synergy effects of collaboration between Japanese NGOs and JICA projects

Successful Case: "Strengthening Community Waste and Sanitation Management Capacity in Poor Settlements in Mirpur, North Dhaka" by WVJ and JICA projects "Dhaka City Waste Management Capacity Strengthening Project" and "North and South Dhaka City and Chittagong City Waste Management Capacity Strengthening Project" in Bangladesh

NGOs can effectively use the outputs of JICA projects and bring the outputs of ODA projects to impoverished areas that are difficult to reach. It is effective to collaborate among the Embassy officials, JICA, and NGO representatives, even without the formal arrangement of the NGO becoming an official member of the project. In this case, the casual connection and cooperation between personnel from each organization allowed both sides to use their strengths without incurring additional financial costs and with minimal coordination costs. Although this case was spontaneous collaboration that relied heavily on individual idea, we wish to share practices in such case widely and implement them more purposefully.

Lesson 5: Increasing farm income through loans and technical assistance to small farmers

Successful Case: Small and Marginal Sized Farmers Agricultural Productivity Improvement and Diversification Financing Project

The project provided small farmers with a two-step loan to purchase agricultural equipment and materials; meanwhile, both the implementing and intermediary financial institutions provided extensive technical guidance to the farmers. As a result of this financing and appropriate technical guidance, farmers' production increased, and their incomes grew. (Statistical comparison of the situations of multiple farmers in the two cases, with and without the project, was made to estimate the net benefits.) There are many cases, not only in Bangladesh but also elsewhere, where funding and technical guidance to farmers are combined. However, there are also cases where technical guidance is weak and does not produce sufficient outputs. The above is a successful case for reference.