

# **Bangladesh Joint Cooperation Strategy**

**2010 – 2015**

*How to work more effectively together to deliver real  
development outcomes*

**Aid Effectiveness Unit  
Economic Relations Division  
Ministry of Finance  
Government of the People's Republic of Bangladesh**

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## FOREWORD

We are immensely pleased to present this Bangladesh Joint Cooperation Strategy (JCS), which represents the mutual commitment of Government and Development Partners to develop a new, more effective way of working together. The JCS is a major step forward in the partnership between the Government and its Development Partners and will intensify collaboration to significantly improve aid delivery and thereby the prospects for sustained growth and poverty reduction.

The Government of Bangladesh and the Development Partners are committed to the principles of the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008). To make the declarations a reality in Bangladesh, a Statement of Intent was signed by the Government of Bangladesh and a JCS Working Group was established in 2008. Among other achievements, the group has assisted with streamlining and rationalising Development Partners' engagement in Bangladesh and prepared the JCS. Simultaneously, the Government has prepared the Second Poverty Reduction Strategy and is preparing the next 5 Year Plan 2011-2015, as well as an Aid Management Policy.

The JCS presents a shared intention between the Government of Bangladesh and 18 partners. These include the Asian Development Bank, Australia, Canada, Denmark, European Union, Germany, the Islamic Development Bank, Japan, Korea (Republic of), Netherlands, Norway, Spain, Sweden, Switzerland, UK, United Nations, USA, and the World Bank.

The JCS recognises the Government's achievements in stimulating economic growth and reducing poverty. In addition, the JCS sets standards for the effective management of development assistance through joint programming, use of Government administrative and financial systems, joint appraisal and analytical work for co-financed programmes, joint dialogue and joint review of progress in implementing programmes.

A major characteristic of the development of the JCS has been its emphasis on partnership – with the Government, among Development Partners, and with non-state actors. The Government and the JCS partners have consulted widely with many key stakeholders. We would like to express our gratitude to all who have participated in this process and applaud your dedication to creating a better future for Bangladesh.

The process of preparing the JCS has already begun to have a positive impact on the aid environment in Bangladesh. The costs of dealing with multiple Development Partners have begun to fall, helping to ensure that all available resources are used to help Bangladesh achieve the Millennium Development Goals by 2015 and its own development vision 2021. The next steps include monitoring the implementation of the JCS and its results to make aid more effective in Bangladesh.



M Musharraf Hossain Bhuiyan  
Secretary, Economic Relations Division  
Government of Bangladesh



Chris Austin  
Co-chair, Local Consultative Group  
Country Representative, UK/DFID



## ACRONYMS

ADB	Asian Development Bank
ADP	Annual Development Programme
AEU	Aid Effectiveness Unit, ERD
AE-WG	Aid Effectiveness Working Group
BBS	Bangladesh Bureau of Statistics
BDF	Bangladesh Development Forum
DAC	Development Assistance Committee
DFID	UK Department for International Development
DP	Development Partner
ERD	Economic Relations Division
EXCOMM	Executive Committee of the Local Consultative Group
GDP	Gross Domestic Product
GED	General Economics Division
GoB	Government of Bangladesh
HAP	Harmonisation Action Plan
IDB	Islamic Development Bank
IMED	Implementation Monitoring and Evaluation Division
JCS	Joint Cooperation Strategy
LCG	Local Consultative Group
MDG	Millennium Development Goal
NSAPR	National Strategy for Accelerated Poverty Reduction
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
PBA	Programme-Based Approach
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PIU	Project Implementation Unit
PRS	Poverty Reduction Strategy
UK	United Kingdom
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
Watsan	Water and Sanitation
WB	World Bank

## Introduction

We, the Government of Bangladesh (GoB) and its Development Partners (DPs), recognise that we have an important role to play in improving aid effectiveness in Bangladesh. Reforming the ways we deliver and manage aid is critical for further progress in poverty reduction and reaching the Millennium Development Goals and for Bangladesh to become a middle-income country by 2021.

We signed up to the Paris Principles on Aid Effectiveness in 2005: ownership, harmonisation, alignment, managing for results, and mutual accountability. Recognising that more progress needs to be made, we committed to the Accra Agenda for Action in 2008. This focuses on strengthening country ownership, inclusive partnership, and mutual accountability. Together, the Paris Declaration and the Accra Agenda for Action form the aid effectiveness framework for Bangladesh.

In order to implement our commitments made in Paris and Accra, we decide on this Joint Cooperation Strategy (JCS). The JCS expresses our vision for working together, defines concrete actions on how to turn our vision into reality, and establishes a mechanism to monitor progress and hold each other to account.

The JCS takes into account international agreements on development cooperation, as well as experiences, expertise, working principles and funding possibilities of the respective DPs active in Bangladesh. The JCS is a shared intention between GoB and DPs to work more effectively together to reduce poverty in Bangladesh. It is not a legally binding document<sup>1</sup>.

## Objective of the Joint Cooperation Strategy

The overall objective of the JCS is to improve the way we work together in order to make aid more effective in Bangladesh. The JCS is expected to result in better harmonised and streamlined programmes supporting Bangladesh's development plans and strategies by providing a common platform for inclusive partnership between all development actors, including civil society. In this respect, the main purpose of the JCS is to institutionalise a mechanism by which GoB and its DPs hold each other accountable for making concrete and measurable progress towards greater aid effectiveness.

GoB and DPs welcome wider participation of development actors in the JCS process, including from emerging donors and global programmes.

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<sup>1</sup> It does not constitute a legally binding document for any of the parties or any third parties. The JCS does not supersede or interfere with, either prior to or subsequent to the signing of this strategy paper, any agreements entered into between the GoB and a DP, between DPs, or agreements between the GoB or a DP and third parties.



# Development challenges in Bangladesh

## *Country context*

Bangladesh's population was estimated at 144 million in 2009 (BBS 2009). Sustained economic growth since the early 1990s has allowed the country to make good progress in poverty reduction despite a series of external setbacks. GDP grew at an average of 5.8 percent over the past decade, with GDP per capita reaching US\$ 621 in 2009. Ready-made garments and remittances have emerged as the twin drivers of the economy. Growth in these sectors has significantly contributed to poverty reduction. Poverty declined from 57 percent at the beginning of the 1990s to 49 percent in 2000 and 40 percent in 2005, which puts the country on track to halve the proportion of people living in extreme poverty by 2015 compared to 1990. Bangladesh has made progress in human development, and is on course to meet the MDGs for infant and child mortality by 2015. Bangladesh has already achieved gender parity in primary and secondary schooling.

Huge development challenges remain in Bangladesh. An estimated 56 million people are still living in poverty, of which 35 million are considered to be extreme poor. The fast growing urban population is predicted to reach around 50 million by 2015. More than a quarter of these people lives below the poverty line and lack access to basic services. Moreover, gaps in poverty across different occupational groups, gender and regions are persisting, if not growing. The growing population needs education and new skills, including in ICT, to compete for new jobs at home and abroad. Land utilisation is also a major challenge. Bangladesh is one of the countries most vulnerable to the negative impacts of global climate change, with an increasing population and a shrinking land surface.

## *National Development Plans and Strategies*

In order to address the development challenges in Bangladesh, the JCS supports the implementation of the Government's "National Strategy for Accelerated Poverty Reduction II (NSAPR-II) – *Steps Towards Change*" and the upcoming Sixth 5-Year Plan 2010-2015. The national poverty strategy provides data and analysis on poverty reduction and other development challenges in the country. It provides the strategic focus for Government and Development Partners and sets out the key priorities and reforms for the coming years. GoB and DPs discussed the national strategy and aid effectiveness at the high level Bangladesh Development Forum (BDF) in February 2010 and agreed on a clear set of GoB action points to which DPs will provide their support over the coming years.

For the longer term, GoB is preparing a Perspective Plan (2010-2021) which coincides with Bangladesh's 50 year Jubilee. This Plan will be implemented in line with two 5-Year Plans, starting from July 2010 (Sixth 5-Year Plan). The national development plans and strategies set out the expected overall development outcomes for the country and are an important framework for support from the development partners. Progress on the plans and strategies will be monitored and updated through the budget process, and reviewed with DPs at the annual high level Bangladesh Development Forum.



## Aid effectiveness challenges in Bangladesh

We, the GoB and its DPs, recognise that more can be done to improve the way we work together to increase the effectiveness of aid in Bangladesh. A number of surveys and evaluations<sup>2</sup> on aid effectiveness have been conducted in Bangladesh. Overall, they have found that some progress in improving aid effectiveness has been achieved. GoB and DPs have increased their commitment to find more effective ways of working together. However, significant challenges remain to deliver on the Paris and Accra aid effectiveness commitments.

GoB ownership over development processes has been assessed as moderate. Whilst the process of formulating a poverty reduction strategy has been established, this could be better linked with the Annual Development Programme and the medium-term budgetary framework at ministry level. Some initiatives to strengthen GoB capacity have been made, but DPs need to provide more targeted capacity support to enhance GoB leadership.

There has been moderate progress in aligning ODA flows to national development priorities. The use of GoB procurement and public financial management procedures has increased due to real improvements by some DPs. However, continued use of donor systems remains the modality for most DPs. Similarly, most donors report a fall in parallel Project Implementation Units (PIUs), but overall a rise in parallel PIUs has been noted.

Some progress in harmonisation has been achieved with the use of sector wide programmes in education and health. However, the proportion of aid using programme based approaches (PBAs) decreased due to a reduction in budget support and other forms of PBAs. In many sectors, programme activities such as field missions are not well coordinated, and there are a variety of funding mechanisms with many donors operating separately. This fragmentation leads to overlap, duplication and high transaction costs for both GoB and DPs.

More can be done in managing for results, evidenced by the lack of a common development results framework with specific, measurable indicators, used by GoB and DPs. Coordinating data collection efforts of various ministries and agencies remains a major challenge for GoB (ERD, GED, BBS and IMED), which requires more technical assistance provided by DPs. Effective linkages need to be established between the PRS Policy Matrices, the Annual Development Programme and the Bangladesh MDG monitoring.

Progress in creating mutual accountability has been moderate as well. A Harmonisation Action Plan (HAP) between GoB and its DPs, approved in 2006, has been integrated into this JCS. In addition, some joint assessments have been done at the level of the sector-wide mechanisms with pooled donor funding.

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<sup>2</sup> Paris Declaration Evaluation 2008, OECD/DAC surveys, 2006 and 2008  
Donor Coordination and Harmonisation in Bangladesh – A Joint Evaluation Paper, World Bank, Asian Development Bank, Japan and the UK, 2009.



## Change the way we do business – our vision

We, the GoB and its DPs, recognise the need to change the way we do business to better address the development challenges in Bangladesh. Making aid more effective is necessary to ensure that our efforts jointly contribute to accelerate the pace at which poverty is reduced, vulnerabilities lessened, and opportunities increased for all.

We share a long term vision to maximise the effective use of national resources complemented by ODA. We aim to create efficient, effective and complementary ways of working together between GoB and its DPs. Led by GoB, improved aid planning, coordination and management will provide positive, holistic support to the implementation of national development plans and strategies. Together, we aim to strengthen the existing national aid coordination architecture in line with our commitments made in Paris and Accra.

We recognise that the national development plans and strategies are the principal planning instruments to address the development challenges in Bangladesh. This requires DPs to support the formulation of the national development plans and strategies, and to help improve national monitoring and evaluation capacities. We also recognise that effective aid management requires strong and efficient Government institutions, and we will work together to strengthen respective national systems and capacities on the basis of GoB's requirements.

We also acknowledge that aligning DP support to national development plans and strategies is a precondition to improved aid effectiveness. Enhancing the use of country systems is a key commitment taken in Paris, and we will work together to build strengthened country procurement and public financial management systems. We also commit to increasing multi-year predictability of aid flows and reducing the overall number of parallel project implementation units (PIUs). We further commit to reducing the number of conditionalities and to basing related benchmarks on GoB's plans and strategies.

We are committed to increasing the impact and sustainability of our development efforts and to reduce transaction costs resulting from uncoordinated development activities, a multitude of different programming and implementation mechanisms, as well as fragmented aid budgets. In this respect, we will work towards a rationalisation of sector support in line with national priorities, by exploring options for a country-led division of labour and increased use of programme-based approaches.

We recognise that development effectiveness requires complementary efforts by GoB and its DPs on the basis of joint result frameworks that guide the allocation of all development resources. We are committed to improving our collective dialogue and coordination between GoB and DPs by institutionalising open and inclusive national dialogue on development policies.

We recognise our joint responsibility for the effective and transparent planning and use of development resources. We are committed to establishing mechanisms to



strengthen mutual accountability and inclusive partnership with civil society and other development actors. Commitment to the JCS process and regular, collective dialogue under the Local Consultative Group (LCG) mechanism, including the annual Bangladesh Development Forum (BDF), are expected to result in improved mutual accountability. We will hold joint annual aid effectiveness reviews, and establish a joint GoB-DP Aid Effectiveness Working Group.

## Partnership principles

We recognise our joint responsibility to take this vision forward on the basis of mutual trust and inclusive partnership, and agree on the following principles:

### The Government of Bangladesh will aim to:

- Exercise ownership and leadership in developing and implementing national development strategies through broad consultative processes among the relevant stakeholders.
- Translate national development strategies into prioritised, balanced, results-oriented operational programmes as expressed in Medium Term Budgetary Frameworks and Annual Development Programmes.
- Coordinate aid at national, regional and local government levels in an inclusive partnership dialogue with the DPs and other stakeholders, and encourage the participation of civil society and the private sector.
- Continue to implement key reforms and programmes in democratic governance, economic governance and socio-economic development.

### Development Partners will aim to:

- Respect partner country leadership and take effective steps to strengthen the partner country's capacity, including aid management and public financial management, to exercise this leadership.
- Support implementation and monitoring of the national development plans and strategies, programmes, and policies.
- Align with GoB's policies and strategies and increase the use of GoB systems and procedures according to the individual mandate and country strategy, if any, of each DP.
- Share information on programme spending and commitments with relevant GoB programme partners to facilitate improved predictability of DP funds.
- Ensure the complementarity of various assistance modalities and align their support with the Medium Term Budgetary Framework.

### Government and Development Partners will jointly:

- Implement the Bangladesh JCS to improve aid effectiveness in the country; monitor progress towards greater aid and development effectiveness; and hold each other accountable on the basis of the JCS Action Plan and the Joint Development Results Framework.

## How do we achieve it – JCS implementation & monitoring

The implementation of our vision will build on two key mechanisms: (1) regular collective dialogue; and (2) the JCS Action Plan.

### *Collective Dialogue*

At the annual **Bangladesh Development Forum**, GoB and DPs will review progress achieved and outline the major priorities and reform plans for the coming year. The Forum will also allow the international community to voice its financial, technical and political support to Bangladesh in line with the commitments taken in Paris and Accra. In addition, GoB and DPs may plan for other ministerial-level meetings as and when appropriate.

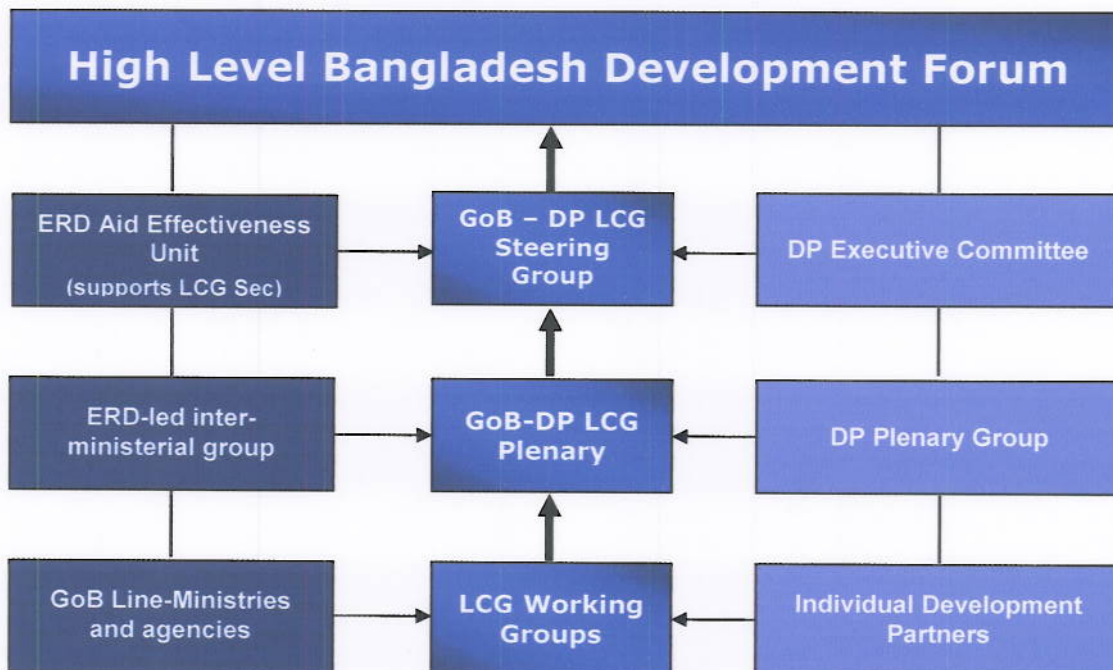
We will have a regular dialogue on the country's development priorities through a well established **GoB-DP LCG mechanism**. The LCG Plenary will provide a forum for on-going dialogue between GoB and DPs on the country's development challenges, national plans and strategies, new development initiatives, and preparations for the annual BDF. The LCG Plenary is co-chaired by the ERD Secretary and the Chair of the DP Executive Committee (Excomm). Excomm serves as the executive organ of the DP group. It has seven members, each named by an electoral group from among donor representatives on a rotating basis, reflecting the diversity of the DP group.

Regular dialogue at the sector and thematic level will be held in the joint **GoB-DP LCG Working Groups**. The national and sector level dialogue will be based on jointly agreed expected results frameworks in priority reform areas, where we will define the priority actions, timings and milestones. The purpose of the Working Groups is to provide forums for directed and practical consideration of specific development sectors or themes, serving as a locus for information exchange, analysis, coordination and cooperation. The Working Groups will be aligned to sectoral and thematic priorities of the GoB as outlined in national development plans and strategies.

The detailed Terms of Reference of the Working Groups are in Annex 2. An overview of the current working groups including the co-chairs is provided in Annex 3. An overview of the proposed collective dialogue structure is shown below.

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### *The JCS Action Plan*

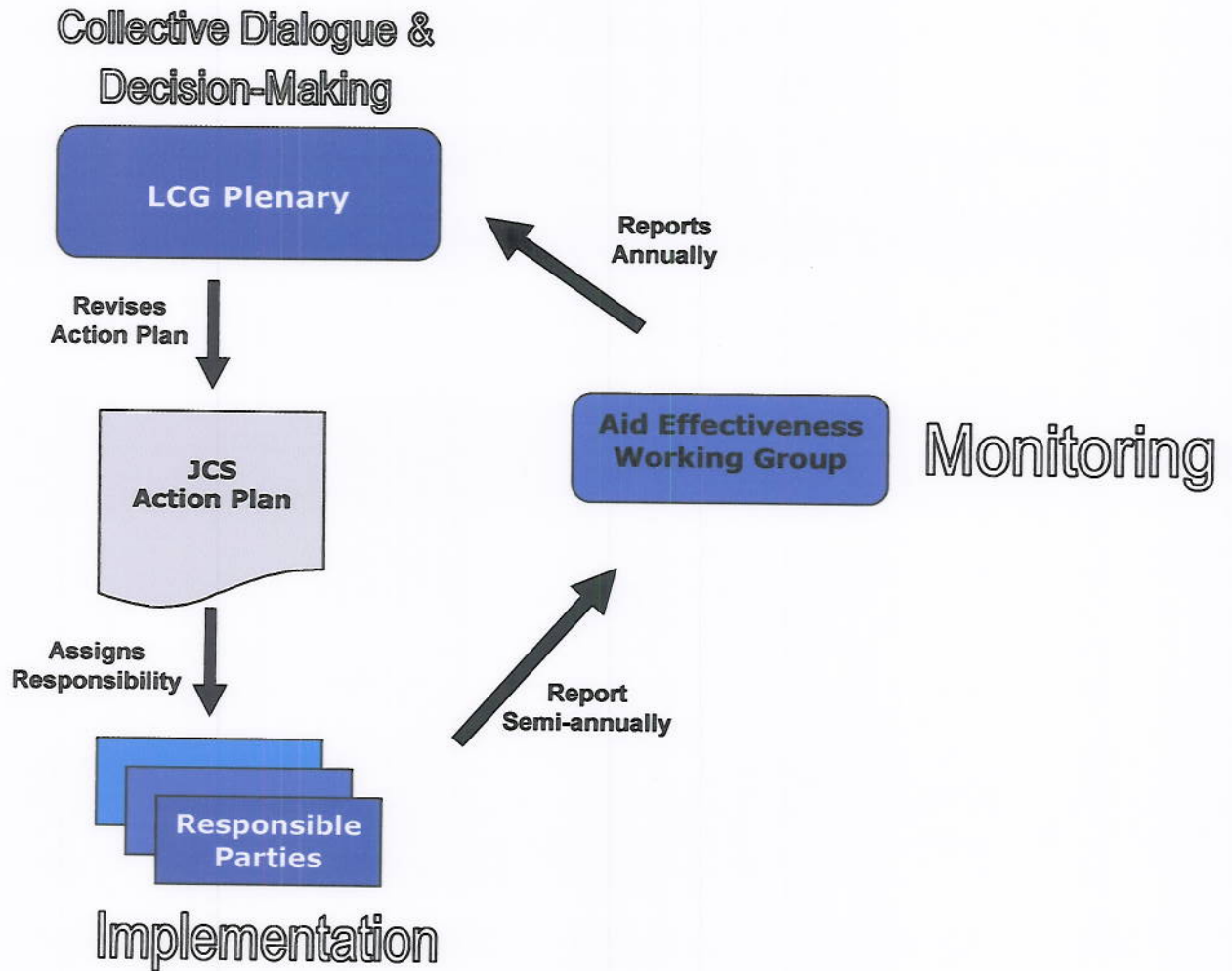
In order to turn our vision into reality, we approve the JCS Action Plan (Annex 1). This serves as a tool to strengthen mutual accountability, and to define and monitor priority actions to address the identified aid effectiveness challenges in Bangladesh. The JCS Action Plan outlines concrete actions with individual milestones, timelines and responsible parties. It is owned jointly by GoB and the DPs. Together with updates on the national poverty strategy, the JCS Action Plan will be reported on and discussed at the annual BDF.

The JCS Action Plan is a 'living and rolling' document, which will be monitored, reviewed and updated on an annual basis to reflect changing priorities and progress achieved. The responsible participants will develop more detailed actions, which will be implemented and monitored jointly by GoB and DPs involved in the activity. The joint GoB-DP LCG Aid Effectiveness Working Group will monitor the overall implementation of the JCS Action Plan. GoB's participation is led by ERD's Aid Effectiveness Unit (AEU), and includes representatives from the Prime Minister's Office, Finance Division, GED of Planning Commission and IMED.

The JCS Action Plan follows an annual implementation and review cycle. The responsible parties for each specific activity will report semi-annually on implementation to the GoB-DP LCG Plenary. On the basis of those progress reports, the Aid Effectiveness Working Group will monitor the overall implementation of the JCS Action Plan. It will prepare a consolidated annual JCS Progress Report, as well as the JCS Action Plan for the following year. The LCG Plenary will review the annual JCS Progress Report, and approve the JCS Action Plan for the following year.

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An overview of the JCS Action Plan cycle is shown below.





## Approving the Joint Cooperation Strategy

We, the Government of Bangladesh and its Development Partners, are committed to implementing the Paris Declaration and the Accra Agenda for Action in Bangladesh. Our signatures below demonstrate our willingness to work together to make aid more effective over the coming years with the aim of reaching real development outcomes in Bangladesh.

Dhaka, Bangladesh  
June 2010



## Bangladesh Joint Cooperation Strategy

<p>For the Government of Bangladesh</p>  <p>Mr. M. Musharraf Hossain Bhuiyan Secretary, Economic Relations Division</p>
<p>For Asian Development Bank</p>  <p>Mr. Thevakumar Kandiah Country Director</p>
<p>For the Government of Australia</p>  <p>Rachel Payne for Mr. Mark Bailey Counsellor Development Cooperation for South Asia Australian Agency for International Development</p>
<p>For the Government of Canada</p>  <p>Mr. Robert Beadle Country Director and Head of Development Cooperation (CIDA)</p>
<p>For the Government of Denmark</p>  <p>H. E. Mr. Einar H. Jensen Ambassador</p>
<p>For the European Union</p>  <p>Mr. Milko van Gool Head of Cooperation Delegation of the European Union to Bangladesh</p>
<p>For the Government of Germany</p>  <p>H. E. Mr. Holger Michael Ambassador</p>

For the Islamic Development Bank



Mr. Farook uz Zaman  
Representative  
IDB Field Representative Office in Bangladesh

For the Government of Japan



H. E. Mr. Tamotsu Shinotsuka  
Ambassador

For the Government of Korea (Republic of)



H. E. Mr. Taiyoung Cho  
Ambassador

For the Government of Netherlands



H. E. Mr. Alphons Hennekens  
Ambassador

For the Government of Norway



Mr Arne Haug  
Chargé d'affaires

For the Government of Spain



H. E. Mr. Arturo Pérez Martínez  
Ambassador

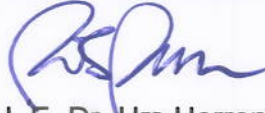
For the Government of Sweden



H. E. Ms. Britt Hagström  
Ambassador



For the Government of Switzerland



H. E. Dr. Urs Herren  
Ambassador

For the Government of United Kingdom



Mr. Chris Austin  
Country Representative  
Department for International Development (DFID)

For the United Nations



Mr. Arthur Erken  
(Acting) Resident Coordinator

For the Government of the United States



Mr. Dennis Sharma  
Deputy Mission Director  
United States Agency for International Development (USAID)

For the World Bank



Ms. Ellen Goldstein  
Country Director

**Annex 1: First Annual Joint Cooperation Strategy Action Plan (2010 – 2011) - To be revised annually**

Paris Declaration Principles	Actions	Milestones	Timeline	Responsibility	Status
OWNERSHIP	1. 5-Year Plan finalised  2. GoB aid management policy and strategy established	<ul style="list-style-type: none"> <li>6<sup>th</sup> 5-Year Plan outline consulted and approved by Government</li> <li>6<sup>th</sup> 5-Year Plan reflected in national budget</li> <li>6<sup>th</sup> 5-Year Plan approved by Government</li> </ul>	July 2010 July 2010 Dec. 2010	GoB (M/O Planning)	On track
		<ul style="list-style-type: none"> <li>Aid management review finalised (basis for aid management capacity development support)</li> <li>Aid management capacity assessment finalised, leading to coordinated DP support to strengthen GoB aid management capacity</li> </ul>	June 2010 December 2010	ERD/ DPs ERD/ UNDP	On track
ALIGNMENT	3. Use of country systems enhanced	<ul style="list-style-type: none"> <li>Consultation on draft aid policy started</li> </ul>	late 2010	ERD/ UN/ DFID	
		<ul style="list-style-type: none"> <li>PEFA indicators on PFM and procurement assessed under the GoB-DP public financial management programme (SPEMP)</li> <li>Project approval and implementation processes reformed</li> <li>Use of <i>parallel</i> PIUs reduced and more DPs using GoB systems and procedures.</li> </ul>	2010 2010 early 2011	Fin Div/ WB/ DFID ERD/Planning DPs Plan Div/ IMED	
HARMONISATION	4. Sector support rationalised	<ul style="list-style-type: none"> <li>Donor mapping is established updated on regular basis</li> <li>Aid tracking system established</li> </ul>	2010, 2011	ERD/ UNDP	
		<ul style="list-style-type: none"> <li>Concept note on division of labour formulated</li> </ul>	2010	ERD/ EU Delegation	
		<ul style="list-style-type: none"> <li>New PBA in Health and Education established</li> <li>High level discussions on new partnership arrangements held (e.g. In watsan, secondary education land utilisation, ICT),</li> </ul>	mid-2011 2011	Min Health, Primary & Mass Education/ WB/ ADB	
MANAGING FOR DEVELOPMENT RESULTS	5. GoB-DP Development Results Framework established (based on PRS)	<ul style="list-style-type: none"> <li>GoB – DP LCG structure revised and functional</li> </ul>	October 2010	ERD/ DP EXCOMM	
		<ul style="list-style-type: none"> <li>National sector dev. results frameworks drafted</li> <li>Development Results Framework consulted/vetted and finalised</li> </ul>	October 2010 Dec 2010	ERD, WB, LCG-WG Co-Chairs	
MUTUAL ACCOUNTABILITY	6. Annual aid effectiveness reviews held	<ul style="list-style-type: none"> <li>Bangladesh Development Forum held annually</li> <li>Aid Effectiveness Working Group established</li> <li>Bangladesh Paris Declaration Evaluation finalised</li> <li>DAC Survey 2011 finalised</li> <li>First annual JCS Progress Report submitted to LCG Plenary</li> </ul>	March 2011 June 2010 Dec 2010 March 2011 June 2011	LCG Plenary LCG Plenary ERD/Japan/DFID ERD/ DFID AE-WG	



## ***Annex 2: Terms of Reference for LCG Working Groups***

### **Background**

The Government of Bangladesh (GoB) and its Development Partners (DPs) will meet regularly to discuss development issues in Bangladesh. The basis for the discussions will be the national strategy for poverty reduction and other national development plans, sectoral strategies and policies.

The Local Consultative Group (LCG) is the main platform for GoB – DP dialogue. It is expected that GoB and DPs will have an annual high level Bangladesh Development Forum (BDF) to take stock of progress achieved and to decide on future joint work. The LCG mechanism is underpinned by GoB-DP working groups covering the key development sectors and themes in the country.

### **Objectives**

The objective of the individual LCG Working Groups is to contribute towards effective and coordinated implementation of national policies, strategies, plans and programmes in the relevant sector in Bangladesh through joint results targets and a monitoring framework.

### **Scope of Work**

The overall specific scope of work for each LCG working groups includes:

- **coordinate work within the sector**, convene quarterly meetings or more often if required, and act as a moderator and facilitator for work ongoing in the sector;
- **promote and facilitate common intentions** and integration of policies, approaches and efforts of DPs in the sector; this would include an inventory of GoB and donor activities in the sector to be updated regularly;
- **promote harmonisation and alignment of activities** as well as joint work/programmes, analyses to enhance aid effectiveness, avoid duplication and encourage complementarity in programming; provide feedback to the government, concerned agencies, and the main LCG;
- contribute to **ensuring mutual monitoring and accountability** with GoB and amongst DPs engaged in the same sector;
- **integrate key cross-cutting issues into the work of the sector**, and coordinate on these issues with working groups specifically concentrating in these areas;
- support **communication and dissemination of best practice** in operational approaches/practices with demonstrable, measurable and effective impact;
- **provide regular feedback to the LCG Plenary**, and provide a one page update bi-annually on progress and constraints in the achievement of goals set by GoB in the sector, area or theme, as outlined in a joint “development results framework”.

- **arrange joint fact-finding, joint field review and/or evaluation missions among DPs to the extent possible.**

### **Development Results Framework**

Each of the LCG working groups, led or co-chaired by GoB, will develop a results framework. The key elements in the framework are “expected outcomes/results, targets/indicators, milestones and planned actions”.

### **Membership**

Members of the individual LCG working groups are representatives of GoB and DPs involved in the sector. In addition to these regular members, resource persons will be invited from relevant organisations/agencies as appropriate.

### **Organisational Set-Up**

Two co-chairs will lead the working group, one representing DPs and the other representing GoB. The co-chair representing the DPs will act as an impartial and honest broker and will be appointed by general consensus of the members of the working group for a recommended period of one or two years. Either of the co-chairs may call for ad-hoc stakeholder or thematic meetings as required and meetings can also be held separately. The working group's Terms of Reference will be reviewed and revised as appropriate and at least every second year.

### **Functioning of individual LCG working groups**

The working group will prepare and monitor a “development results framework” and an annual action plan with clear responsibilities, calendar and outputs. The working group will meet quarterly or more often if required. Draft minutes will be circulated to all members after each meeting. Members unable to attend any or all of the meetings of the working group will be kept informed of the proceedings of the meetings, and their inputs and suggestions will be solicited as feasible.

The working group will have an action-oriented character. To help achieve its objectives, smaller thematic task teams may be formed or other activities held such as joint field trips. Relevant experts from outside the regular membership may be invited to participate. An annual plan, tentative agenda and year-end summary will be prepared by each working group and presented at the annual BDF.





### Annex 3: Current Bangladesh LCG Working Group Mapping

Current Sector Subworking Groups	NSAPR II list of policy matrix	Lead Ministry/Division	AsDB	Australia	Canada	Denmark	EU	France	Germany	Global Fund	IsDB	IMF	Japan	Korea	Netherlands	Norway	Spain	Sweden	Swiss	UK	UN Agencies	USA	World Bank
1. Agriculture & Rural Development <sup>3</sup>	Agriculture – growth for poverty reduction <sup>4</sup>	Agriculture	⊙	⊙		⊙	⊙						⊙	⊙					⊙		▲	⊙	⊙
2. Aid Effectiveness	Resource mobilisation?	ERD	⊙			⊙	⊙						⊙					⊙			⊙	⊙	⊙
3. (forseen)				◆																	▲	⊙	⊙
4. CHT		CHT Affairs	⊙	◆		◆	⊙						■								▲	⊙	⊙
5. Climate Change & Environment	Environment & Climate Change	Environment & Forests	⊙	■		◆	⊙		■				⊙			■		⊙			▲	⊙	⊙
6. Disaster & Emergency Relief	DER (Disaster & Emergency Relief)	Disaster Mgt & Relief Division	⊙				⊙						⊙						◆		▲	⊙	⊙
7. Education <sup>5</sup>	Education, training and research	Primary & Mass Education.	⊙	⊙	⊙		⊙						⊙		▲	∅		⊙	◆	⊙	▲	⊙	⊙
8. Energy (Power & Gas)	Infrastructure & Communication	Power Division	▲						⊙				⊙	⊙		◆				∅	◆	⊙	⊙
9. Gender	Social inclusion, empowerment <sup>6</sup>	Women & Children Affairs	⊙		◆	▲	⊙		⊙				◆			◆		⊙			⊙	▲	⊙
10. Governance	Good Governance	Cabinet Division	⊙		◆	⊙	⊙		▲				⊙		⊙	◆				▲	⊙	⊙	⊙
➤ Justice		Law- & Justice Division			◆	◆	⊙		⊙											⊙	▲	■	
➤ Local Government		Local Government Division	⊙			◆	⊙		⊙				⊙							▲	⊙	⊙	⊙
➤ Parliamentary support		Legislative & Parliamentary Affairs Division			◆	◆														⊙	▲	⊙	
➤ Public Financial Support / Mngt.		Finance Division	⊙		◆	◆	⊙								∅					⊙	▲	◆	▲

<sup>3</sup> incl. livelihood support and food security.  
<sup>4</sup> Incl. social safety net, food security, micro-credit and rural non-farm (and land management?)  
<sup>5</sup> Incl. primary, secondary, teacher quality, skills development, madrassah.  
<sup>6</sup> Incl. gender, children, indigenous people, disability, extreme poor.

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Current Sector Subworking Groups	NSAPR II list of policy matrix	Lead Ministry/Division	AsDB	Australia	Canada	Denmark	EU	France	Germany	Global Fund	IsDB	IMF	Japan	Korea	Netherlands	Norway	Spain	Sweden	Swiss	UK	UN Agencies	USA	World Bank
> Civil Service Reform		Establishment	○						◆				○								▶	○	
> Anti-corruption		Cabinet Division	○			◆							○									▶	
11. Health, Nutrition and Population	Health, Nutrition, Population and Food Safety	Health & Family Welfare	◆	○	▶		○		▶	○			○		◆			○			○	○	○
12. Macro Economics	Macro Economic	Finance Division.	○									▶											○
13. Private Sector Dev and Trade <sup>7</sup>	Private sector, SME Dev <sup>7</sup>	Commerce	○		○	◆	○		◆				◆		◆						▶	○	○
14. Transport and Communication <sup>8</sup>	Infrastructure & Communication (to also include Inland waterways?)	Roads & Railways Division;	○								○		▶	○						∅			○
15. Urban Sector	Urban services, Housing	Local Government Division	○	◆					▶				◆								○	▶	○
16. Water Supply & Sanitation	Water, sanitation	Local Government Division	○	○		▶	◆						○		∅					◆	○	○	○
17. Water Resource Management	Water management	Water Resources	○										○		▶						○		○
18. Poverty	Social Protection	GED Planning Com	○	◆	◆	◆	◆		◆				◆								▶	◆	○
19 ICT – Digital Bangladesh (suggested)	ICT – Digital Bangladesh	Science and Information & Communications																			○	◆	○

Current Chair ▲ Some Support ◆ 15 Sol signatories ◆ Focus Area ○ Phasing In ▶ Phasing out ∅ (Potential/Future Chair ▶)

<sup>7</sup> Incl. Microfinance. Suggest including vocational training, skills development and employment creation.  
<sup>8</sup> Incl. roads, railways, bridges & ports.

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## ***Annex 4: JCS Consultations 2008 - 2010***

GoB (ERD led) and DPs drafted the Statement of Intent to Develop a Joint Cooperation Strategy in August 2008 and presented it at the High Level Forum in Accra in September 2008. Three civil society workshops were held during May – August 2008 in which GoB and DPs shared the main aspects of aid effectiveness. The workshops discussed how to make the Paris Declaration principles real in country - “country ownership”, “alignment”, “harmonisation”, and “managing for results”, “mutual accountability” and “inclusive partnership”. Civil society representatives expressed a strong willingness to engage with GoB and DPs on aid effectiveness. Participants stressed, among other things, the importance of real country ownership, which should include Parliament discussions on national strategies and consultations with civil society, plus the need for capacity strengthening across GoB. Participants at the workshops also recommended that the donor community should align more closely to GoB’s systems and procedures and reduce conditionality requirements when providing loans and grants.

GoB held a series of internal Aid Effectiveness – JCS workshops during 2009 for over 200 senior civil servants. The workshops aimed at awareness raising and consultations on how to best move forward on the aid effectiveness agenda in country. Participants suggested that key areas for improvements should include: project approval and implementation processes; DPs lack of alignment to GoB strategies, systems and procedures; unnecessary conditionality; and lack of GoB capacity to plan, implement and monitor development programmes.

The Ministers of Finance and Planning met the DPs in May and September 2009. GoB agreed to move forward with the JCS process and announced their plan to hold a high level Bangladesh Development Forum in early 2010. GoB also shared the revised PRS II with DPs and the strategy was approved in Parliament. At another GoB-DP meeting, Government shared their plans for a Civil Service Reform programme, which will be a key element in making development assistance more effective.

ERD held internal GoB consultations on the JCS in early 2010. The annual high level Bangladesh Development Forum in February 2010 endorsed the JCS process and included the finalisation of the strategy in the BDF Agreed Action Points. GoB held a high level consultation meeting with Hon’ble MPs, think tanks and DPs on 9 May 2010. The participants endorsed the JCS process and the final document with some observations. The MPs and civil society representatives shared their concerns about the slow implementation of development programmes and DPs’ lack of alignment to GoB systems and procedures. The consultations also highlighted the importance of migration, remittances, education and new technologies, such as, ICT for poverty reduction. The JCS document was signed by GoB and 18 DPs in early June 2010.

Key aid effectiveness documents and links, including the JCS and the BDF Action Points, can be found on [www.lcgbangladesh.org](http://www.lcgbangladesh.org).

*JCS Working Group, Dhaka, June 2010*

