

BANGLADESH

Country Investment Plan

A Road Map towards investment in agriculture, food security and nutrition

**Approved version (14 June 2010) following the
Bangladesh Food Security Investment Forum
26 – 27 May 2010**

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EXECUTIVE SUMMARY

This report presents **the Bangladesh Country Investment Plan (CIP) for agriculture, food security and nutrition**. It results from wide consultations through meetings and written contributions and was eventually extensively discussed during the Bangladesh Food Security Investment Forum (26-27 May). The CIP was endorsed by the Government on 14 June 2010 as living document which should be regularly revised and updated on the basis of evolving circumstances.

The CIP provides a **coherent set of priority investment programmes (12 at this stage) to improve food security and nutrition in an integrated way**. It is a comprehensive plan, builds on the existing framework, reflects the Government's investment priorities and aims to: (i) plan and invest resources in a coordinated way; (ii) increase convergence and alignment of budget and external sources of funding, and; (iii) to mobilize additional resources. Proposed investments relate to strengthening physical, institutional and human capacities in the field of agriculture, water management, fisheries, livestock, agricultural marketing, food management, safety nets, nutrition and food safety.

The CIP is a contribution to the National Strategy for Accelerated Poverty Reduction II (December 2009) and was developed by the Government with FAO support by building on: (i) the National Food Policy (2006) and the 26 areas of intervention contained in its Plan of Action (2008-2009) and the 2010 monitoring report of the NFP PoA; (ii) the six thematic background papers prepared by the Government, IFPRI and BIDS in anticipation of the investment forum; (iii) an inventory of the past and on-going programmes and projects in the respective fields (Annex 1 to the CIP); (iv) relevant Government planning and programmatic documents; (v) consultations with relevant Government institutions and key partners. **The CIP is the conversion of these documents and consultations with stakeholders into investment programmes to fill gaps, scale up current positive interventions and develop new programmes as prioritized by the Government.** The following Table summarizes the programmes identified so far:

	Component	Programme Title
1	Food Availability	Integrated research and extension to develop sustainable responses to climate change
2		Improved Water Management and Infrastructure for Irrigation Purposes
3		Supply and Sustainable Use of Agricultural Inputs.
4		Fishery Development Programme
5		Livestock Development Programme
6		Access to markets, improved agricultural value added, increased non farm incomes
7	Food Access	Capacity strengthening to formulate and implement food policies and related investments
8		Enhanced Public Food Management Systems
9		Development of an integrated multi year safety net programme.
10	Food Utilization	Community based nutrition activities through livelihood approaches
11		Orient food and nutrition actions through updated data
12		Food Safety and Quality Improvement

The CIP cost has been estimated at about US\$ 10.1 billion over 5 years of which US\$ 3.0 billion will be financed from the budget, leaving a gap of US\$ 7.1 billion. The report also includes a framework for effective coordination and a solid monitoring and evaluation framework.

The recommended **next steps** include: (i) further build inclusive partnerships to develop and implement specific CIP programmes; (ii) prepare detailed programmes once specific financing institutions have demonstrated a commitment to financing the CIP/elements of the CIP (e.g. GAFSP in the short term). This involves in-depth review and stock taking of on-going projects and programme; definition of scope, coverage, costing and financing plan; technical, social and environmental assessments; economic analysis; capacity building requirements, and; careful implementation and monitoring and evaluation mechanisms; (iii) mobilize development partners' support the process through technical, methodological and financial contributions; (iv) seek progressive alignment of partners in support of the financing and implementation of the CIP along the lines of the Paris declaration on aid effectiveness and of the Joint Cooperation Strategy currently put in place between the Government and its development partners.

1. NATIONAL AND INTERNATIONAL CONTEXT

1.1 The **Government of Bangladesh** considers agriculture, food security and nutrition as major priorities. While the country has made impressive achievements over 30 years (e.g. it has tripled its rice production), it is increasingly faced with considerable challenges: population growth (Bangladesh is already the most densely populated country in the world and its population is still growing by over 2 million people per year); climate change (sea intrusion, natural disasters, salinity...); deteriorating access to increasingly scarce natural resources (water, land); vulnerability to price shocks as shown in 2008; persistent poverty leading to poor access to food; and one of the highest malnutrition rates in the world. Fighting food and nutrition insecurity is considered by the Government a key mean for the country to become a middle income country. The election manifesto of the present Government and relevant constitutional provisions provide the latest evidence on this commitment.

1.2 This commitment matches with the **renewed global commitment** that resulted from the 2008 food crisis and which materialized in the July 2009 l'Aquila Food Security Initiative (AFSI) and the November 2009 World Food Security Summit in Rome. During these events, the global community pledged funds and committed itself to support country led plans for food security that would reflect countries investment requirements for increased food and nutrition security. This Country Investment Plan (CIP) represents such a plan for Bangladesh.

1.3 This report provides a synthetic presentation of the **purpose, content and possible components of the Bangladesh CIP**, it explains the way it (i) is **anchored in the national policy frameworks**; (ii) **builds on past and on-going investment projects and programmes and projects, and**; (iii) **could benefit from external support**. The document finally spells out the **process through which, during a second step, the CIP programmes should be financed, supported by external partners, serve as a basis for convergence and alignment, its programmes further developed and implemented**. It greatly benefited from the outcome of the Food Security Investment Forum (Dhaka, 26-27 May 2010) during which the draft CIP was reviewed. This report has three annexes: (1) a preliminary inventory of on-going investments in agriculture, food security and nutrition; (2) twelve summary tables spelling out the main programmes forming the draft CIP; (3) Existing financing and Cost Estimates of CIP.

1.4 The CIP was jointly prepared by the Government of Bangladesh (GoB) and FAO. It **builds on 6 thematic papers** jointly developed by the GoB, the International Food Policy Research Institute (IFPRI) and the Bangladesh Institute for Development Studies (BIDS) which contain the analytical background on thematic areas for consideration when preparing the CIP, respectively on: (i) agricultural growth, productivity and climate change; (ii) development of fisheries and livestock sectors; (iii) agricultural marketing, price stabilization, value chain and global/regional trade; (iv) income growth, social safety nets and public food distribution, (v) food utilization and nutrition security, and; (vi) cross cutting issues: gender and governance.

2. DEFINITION AND PURPOSES OF THE CIP

2.1 The CIP provides a **coherent set of priority investment programmes to improve food security and nutrition in an integrated way**. It is a comprehensive plan aligned with the Government 6th five year plan for 2011-2015 currently under preparation by the Government. The

CIP builds on the existing solid national food security policy and programmatic framework as described below.

2.2 The CIP is **comprehensive** in that it covers the three dimensions of food security (availability, access, utilization) in an integrated way, i.e. it aims at linking these three dimensions, in particular by shaping food availability proposals (mostly related to agriculture) so that they enhance access and improved nutrition by the most food insecure and malnourished. However, it limits its scope by building on the past and on-going investment operations and actions, identifying gaps and needs for scaling up, extension and incorporates the current priorities expressed by the Government.

2.3 **Which investments are covered?** The five “I” provide a good framework: the CIP would cover **Investment in Infrastructure (including facilities, equipment and material), Information (including studies, generation and propagation of information through research and advisory services), Institutions (strengthen physical and human capacities of institutions, streamlining operational modalities, training, staff motivation and awareness) and Innovations**. The following items are covered by other mechanisms and therefore are not included in the CIP: (i) purely policy and legal measures. The CIP is a means to implement these existing policies; (ii) the distribution of food; (iii) subsidies for annual inputs which are covered by regular budget means; (iii) safety nets programmes *per se*.

2.4 The **CIP** is expected to serve four purposes:

- (i) to **plan and invest resources in a coordinated way** addressing in an integrated way the three dimensions of food security;
- (ii) to **increase convergence of budget and external sources** of funding in support of agriculture, food security and nutrition requiring a progressive alignment of external sources of funds (from bilateral and multilateral donors) behind a single, inclusive (but evolving) investment plan in order to increase cohesion, coordination and avoid gaps and redundancies;
- (iii) to **mobilize additional resources** (both from the budget and from external partners), such as through the Global Agriculture and Food Security Programme (GAFSP: see below);
- (iv) **monitor and evaluate** investments in agriculture, food security and nutrition and prescribe remedial measures.

2.5 The present version of the CIP was formally endorsed by the Government on 14 June 2010 after extensive consultations, reviews and discussions. However, the CIP is considered as a **living document to be regularly revised** as a result of (i) further consultations with stakeholders; (ii) changing circumstances; (iii) feed back from monitoring and evaluation activities.

3. THE CIP BUILDS ON THE EXISTING NATIONAL FRAMEWORK

3.1. The CIP represents an investment tool in support of the revised **National Strategy for Accelerated Poverty Reduction II (December 2009)** which provides most updated vision, proposed actions and indicative costs in support of poverty reduction, including for agriculture as a major contributor to pro-poor economic growth, food security and safety net as well as nutrition;

3.2 More specifically, **the CIP builds on the very solid existing policies, strategies and plans in support of food security. In particular, the CIP aims to convert the National Food Policy (NFP) into a set of investment programmes reflecting key gaps identified by the Government as its priorities to achieve the goals of the NFP.**

3.3 The **National Food Policy (NFP)** represents a unique exercise as a comprehensive approach to food security and nutrition, encompassing the three dimensions of food security. It was approved by the cabinet in August 2006 and has three objectives:

1. Adequate and stable supply of safe and nutritious food;
2. Increased purchasing power and access to food for the people;
3. Adequate nutrition for all individuals, especially women and children

3.4 A **Plan of Action (PoA) (2008 - 2015)** of the NFP was prepared by inter ministerial thematic teams coordinated by the Ministry of Food and Disaster Management (MoFDM). The PoA translates the NFP into 26 strategic areas of intervention and, under each one of them, identifies priority actions, responsible actors and a set of policy targets and indicators. The PoA represents a major effort towards coordinated implementation and monitoring of the NFP. It was approved in August 2008 and officially launched in May 2009 .The preparation of the NFP PoA was very **inclusive**, involving 11 ministries, civil society, NGOs, the private sector and Bangladesh development partners (with a particular effort by FAO, USAID and the EU who have been providing capacity building and technical support to the Government throughout the exercise).

3.5 In late 2009, the FPMU has issued the first **draft monitoring report 2010** of the NFP PoA which reviews progress towards the implementation of these 26 priority areas of interventions, analyzes recent developments in these areas and formulates needs for further actions. **The 12 CIP programmes directly derive from the 26 areas of action by aggregating and prioritizing those requiring investment.**

3.6 The CIP also incorporates and draws upon the following:

- the six above mentioned **thematic papers** jointly prepared by the Government, the International Food Policy Research Institute (IFPRI) and the Bangladesh Institute for Development Studies (BIDS). The purpose of the CIP is to build on the priority areas of investment into workable investment programmes. As such this draft CIP does not contain analytical work that is contained in those papers;
- **Draft Perspective plan of the Government (2010-2021)** which was released in March 2010 and provides the long term vision of the current Government, in particular by setting goals and targets for the next 10 years;
- The upcoming **6th Five-year Plan** (2011-2015) with which the CIP will be aligned. This 6th plan is yet to be developed during 2010 but 18 background studies have been prepared until March 2010 by the BIDS and were used for the CIP;
- the **election manifesto** of the Government and relevant constitutional provisions and the Medium Term Budget Framework (see Annex 1) which reflect the priorities of the current Government
- **sector policy documents** such as the national seed policy, flood action plan, national extension policy, livestock sector road map (2006), the fisheries sector road map (2006),

the national disaster management plan (2007-2015) and the Bangladesh Climate Change Strategy and Action Plan (2009).

3.6 The CIP also required an **inventory of on-going investment efforts (Annex 1)** of the Government and its development Partners (DPs) in order to measure current efforts and identify actions on which to build as well as gaps. The inventory consisted of: (i) a review of how the 26 actions of the National Food Policy Plan of Action are covered by the Medium Term Framework which is the medium term budgetary instrument of the Government; (ii) a review the current Government investment budget efforts illustrated by the allocations under the Annual Development Programme 2009-10 – ADP; (iii) a review the major medium to long term investment programmes and projects already financed by various financing bilateral and multilateral financing institutions (largely drawing upon a work undertaken by the Government planning commission with DANIDA support).

3.7 To complement this exercise, an attempt to **identify future investment operations in the field of agriculture, food security and nutrition** by the major development partners is underway, but with insufficient levels of response so far.

3.8 Finally, in the context of the “Paris declaration on aid effectiveness”, the GoB together with 18 development partners have signed a **Joint Cooperation Strategy (JCS)** on 2 June. This strategy aims to enhance the effectiveness of development assistance in Bangladesh by creating common platforms for national and sector dialogues and facilitating a nationally-owned change process for improving aid delivery. Its purpose is to align foreign aid to the National Strategy and to go forward with the aid dialogue and coordination process under the Government’s leadership. The CIP can be considered as a contribution to the JCS.

4. ACCESS GLOBAL SUPPORT – FIVE KEY PRINCIPLES

4.1 In July 2009, in l’Aquila (Italy), 20 countries pledged a total of US\$ 22.2 billion under the L’Aquila Food Security Initiative (AFSI). 5 principles were agreed upon and further elaborated and endorsed by the international community as guiding principles during the November 2009 Rome Summit on World Food Security. The 5 principles have been fully taken into account in shaping the CIP as detailed below:

1. **Country-led plans.** The CIP represents this plan for Bangladesh. It is anchored in the existing solid national framework and will also benefit from the strong political support by the Government, which is exemplified by the chairpersonship by the Prime Minister of the Food Security Investment Forum during which the CIP was reviewed.
2. **Comprehensiveness.** The NFP, its PoA and the CIP are comprehensive: they cover the three dimensions of food security (availability, access and utilization) in an integrated way;
3. **Coordination.** In the Government, the development of the NFP and its PoA required the collaboration of 11 ministries/departments and the mobilization of civil society and NGOs. Effective coordination is institutionalized through the establishment, under the inter-ministerial Food Planning and Monitoring Committee, of a Food Policy Working Group. Inclusive coordination has to be pursued during the preparation and more importantly the implementation of the CIP. Development partners are coordinating themselves in the Local Consultative Group thematic sub group on Agriculture, Food

Security and Rural Development, which is very active and regularly meets, exchange information and views in order to better coordinate the support of its members.

4. **Role of multilateral system.** In close link with the Government and donors engaged in the agricultural and food security sectors, the UN system is supporting the development of the CIP. The agencies forming the UN High Level Task Force (HLTF) on the Global Food Security Crisis plays an important role.
5. **Increased and secured financing.** The CIP is partly aimed at mobilizing additional funds from AFSI. The Global Agriculture and Food Security Programme (GAFSP) is one of the AFSI financial channels hosted by the World Bank. It was officially launched in Washington on 22 April and the Bangladeshi Minister of Finance spoke on behalf of potential recipient countries. It has so far mobilized around US\$ 850 million from the USA, Canada, Spain, South Korea and the Bill and Melinda Gates Foundation. Bangladesh is expected to become one of the first beneficiary countries and is submitting a proposal Mid-June representing priority investments under the CIP.

5. PROCESS THROUGH WHICH THE CIP WAS PREPARED

5.1 **Step 1.** The CIP is conceived as directly resulting from the Plan of Action of the National Food Policy (PoA/NFP). Their preparation required the mobilization and coordination of 11 ministries as well as the development of a very inclusive process involving the main Government agencies, private partners, NGOs and Development partners.

5.2 **Step 2.** The preparation of the CIP itself started in early 2010 and also involved wide consultations with key ministries, private sector, NGOs and Development partners. The preparation of six thematic papers aimed at analyzing major constraints and needs in order to identify priority areas for investment.

5.3 **Step 3.** The process of aggregating into this concise CIP started in March 2010. The 12 proposed programmes were identified and prioritized in the following way: the 26 PoA areas of interventions were used as the basis: some were purely policy actions, other required investment; some were merged into more comprehensive programmes. This led to 12 programmes within which priorities were worked out based on: (i) the first monitoring report of the PoA which reviews actions already undertaken and further actions required; (ii) additional consultations with a number of partners and separate brainstorming sessions with the Ministry of agriculture, the Ministry of Fisheries and Livestock and the Ministry of Food and Disaster Management.

5.4 **Step 4.** The first draft CIP was reviewed during a meeting convened by the MoFDM on 4 May 2010 involving about 80 persons from the ministries involved in the NFP, DPs members of the LCG on AFSRD, NGOs and other partners.

5.5 **Step 5.** In complement, two draft versions were circulated electronically respectively on 7 May and 23 May to about 160 recipients forming a wide range of stakeholders in the Government, civil society, NGOs, UN agencies and DPs. About 30 substantive comments were received, discussed, addressed and incorporated.

5.6 **Step 6.** The Bangladesh Food Security Investment Forum took place in Dhaka on 26-27 May 2010 with high level participation and during which the CIP and related 6 thematic studies were reviewed and commented. The outcome of the forum is reflected in the CIP.

5.7 **Step 7.** In early June 2010, the MoFDM has organized a last formal technical review by various ministries before validating the document on behalf of the Government.

6. KEY DESIGN CONSIDERATIONS OF THE CIP

6.1 **Convergence.** As explained, the CIP builds on existing programmes and seeks to complement these, identify gaps or upscale them with the final aim of progressive convergence around the CIP of all interventions (on-going, planned and yet to be developed) in order to improve their effectiveness. While Bangladesh development partners will continue having their programming processes and tools, these should progressively converge towards contributing to the realization of the CIP.

6.2 **Geographic Focus.** The Government intends to focus some of the key activities of the CIP to the Southern part of the country in view of its higher poverty and food insecurity levels, its challenges in relation to climate change and its development potential. In particular, a **master plan for the southern part of the country** should be a first priority of the CIP in order to shape a number of the CIP programmes to effectively support food and nutrition security in the south. This could be complemented by a master plan for the “monga” affected areas in the northern part of the country which are also highly vulnerable.

6.3 **Policy Issues.** During the preparation of the CIP, a few partners have pointed out a number of policy issues that are controversial such as the input subsidy schemes, the role of public sector in seed multiplication and irrigation, the most suitable types of irrigation schemes, the governance issue, etc. The CIP does not in itself address these policy issues: it focuses on investment and builds on existing policies. However, a number of investments under the CIP will contribute to the policy debate, e.g. by investing in information, analyses and exploring various implementation options so that policy dialogue is not ideological but based on technical analysis and feasibility studies. The CIP would also lead to policy development and reforms

6.4. **Capacity Building.** Important gaps have been identified putting at risk such an investment plan. These include skill gaps, limited implementation capacities, and the low operating capacity and result orientation of some institutions. The government considers that one priority of the CIP is to strengthen capacities at all levels, from Government institutions (to better implement programmes) to grassroots level through strengthening producers’ organizations in accessing knowledge (e.g. farmer field schools in programme 1) and inputs of markets (e.g. in programme 6).

6.5 **Gender Issues.** The IFPRI analysis provides the following recommendations when further designing and implementing investment programmes: eliminate gender discrimination regarding ability to inherit land, to join a credit and savings club, to join a water users’ group, to access extension advice, to start up a small enterprise, and to survive in the event of a family breakdown. Also, programmes have to: (i) acknowledge that women need to be recognized as agricultural producers and as key partners in achieving food security; (ii) incorporate and exercise of evaluating, learning from, and scaling up successful innovations undertaken by the NGO sector; and (iii) continuing to adapt and modify successful government programs that seek to eliminate gender inequality, adapting them to the food and agriculture sector. Strategies may target both the providers of services (for example, hiring female extension agents or program staff) and the beneficiaries (for example, involving women’s groups in program implementation).

6.6 **Integrated Approach.** For ease of presentation and clarification of implementation responsibilities, the CIP proposes a set of 12 priority programmes around 3 components (food availability, access and utilization). It is extremely important, however, that each of these programmes in their design contributes to the three objectives of the NFP. For instance, agricultural activities (food availability) should be designed to improve access and nutrition (through diversification). Another example is the design of safety net programmes (programme 9 under food access) which should contribute to availability (e.g. through the construction or rehabilitation of productive assets under cash/food for work activities) and nutrition (by distributing highly nutritious food): a typical example could be to support the production of good quality milk as manes to increase availability, improve incomes of poor herders and use the milk for school feeding under particular safety net programmes. It is particularly important that most programmes are designed to address one of the main threats to food security which is the lack of economic access / purchasing power.

7. PROPOSED CIP COMPONENTS AND PROGRAMMES

7.1 The analysis of constraints, challenges, goals and the identification of investment areas have been jointly undertaken by the Government, IFPRI and BIDS in 6 separate papers. This section of the CIP draws upon these papers so that it does not repeat sector analysis and general identification but convert these into a **set of possible programmes crystallizing the IFPRI/BIDS analytical work and Government's priorities.**

7.2 This section provides a brief description of the CIP components and programmes. As already mentioned, the identification of these 12 programmes directly derives from the 26 actions contained in the PoA of the NFP while their key features are derived from the above thematic papers, from further extensive consultations and from the outcome of the food security investment forum. It draws on the Annex 2 to the CIP which contains summary synopsis tables for each of the programmes on: (i) relevant government policy and planning framework; (ii) on-going and planned investment operations in the concerned sector as well as current investment levels; (iii) current challenges, gaps, and priorities of the government; (iv) a brief description of the proposed activities; (v) the institutions in charge, their mandate and capacities, and; (vi) the implementation challenges that have to be addressed during more detailed preparation of the programmes in the coming months. These features are summarized below (at this stage no cost estimate was yet undertaken also in consideration of the need for preliminary definition of the scope and coverage of each program).

Component 1: Food Availability.

7.3 *Three main priorities were identified:*

1. **Sustain the availability of key food crops increasingly confronted by considerable challenges including climate change** (climatic shocks, increased salinity and sea level rising, floods); **decreasing natural resources** (scarce water during the dry season, land disappearing at a 1% annual rate which have to be directly addressed by the CIP) **and increased population pressure.** The Government has identified three major investment programmes in line with the first three actions of the PoA and filling most important gaps: (P1) integrated research and extension to develop and propagate sustainable responses to climate change; (P2) improved water management and infrastructure for irrigation purposes, and; (P3) Supply and Sustainable Use of Agricultural Inputs.

2. **Improved nutrition status through food production diversification.** The need to diversify crop production will shape the above programmes, in particular extension, research activities and the development of improved seeds. In addition, in order to complement the current diet poor in micro nutrients and animal proteins, two programmes are proposed: **(P4) Fishery Development programme; (P5) Livestock Development Programme.**
3. **Increased purchasing power and rural employment to enhance access to food through improved value added, agro processing, access to markets and the development of rural businesses.** A programme is proposed: **(P6) Access to markets, improved agricultural value added, increased non farm incomes.**

(Programme 1)

Integrated research and extension to develop and propagate sustainable responses to climate change

7.4 Agricultural research is largely underfinanced in Bangladesh. The priority of the Government is to **enhance the research institutes and regional stations and adapt them so as to provide responses to climate change.** In particular, the focus is to develop human and technical capacities, improve international cooperation (to access available varieties which could be useful in Bangladesh) and increase development capacities of new varieties of rice and other crops as there is a need to diversify research focus. In particular, improved varieties should be either imported and adapted or developed in country around the following requirements: higher yields, shorter maturity (to increase crop intensity and reduce risk of drought on aman), drought-tolerance or low water consumption; tolerance to moderate flood levels, salinity or to arsenic uptake, resistance to floods and water logging. A challenge with the development of agricultural research will be to find incentives to favour the repatriation of expatriated researchers. Besides rice, a priority is also to diversify crop production, in particular vegetable production in the South.

7.5 Another area of investment is to contribute to the implementation of the National Agricultural Extension Policy (NAEP) and Bangladesh Climate Change Strategy and Action Plan (BCCSAP). Proposals should build on both extension and research components of the National Agricultural Technology Project (NATP). The Government emphasizes the need for ICT based extension and agricultural marketing services. In complement, a proposal is to build capacities of facilitators and trainers of trainers so as to provide advice and necessary support to groups with specific requirements through the **Farmer Field School (FFS)** approach. The effective and long lasting programme supported by DANIDA could be complemented and extended in some regions.

7.6 Another area of investment is the **research and development of agricultural practices and farming systems aiming to adapt to and mitigate climate change.** The purpose is to develop and test adaptive measures in climate change affected areas by combining appropriate cultivars, cropping patterns and land and water management practices. Also, conservation agriculture and integrated pest management (IPM) or integrated crop management (ICM) which contribute to more sustainable and resilient farming practices would be promoted. An important feature is to strengthen relations between researchers / extension workers / entrepreneurs / market institutions. For this purpose, FFS would also be instrumental. The following investments are required: capacity building, field experimentations, specialized equipment, training and awareness campaigns, etc. The Government intends to develop agro-ecological databases including about farming systems, crop and price mapping. This would also help to address the debate in the country about where to develop boro rice vs. aman rice in the country.

7.7 **Improving education for agriculture, fisheries and livestock** is an important priority for the Government. Efforts should be made to develop trained agriculture workforce, establish small farms with training centres at local levels and ensuring required incentives to retain skilled workforce in agriculture. Important efforts have to be made to also strengthen higher education institution and infrastructure. Many believe that a crucial feature is to enable students.

(Programme 2)

Improved Water Management and Infrastructure for Irrigation Purposes

7.8 Bangladesh has a very rich and complex history of irrigation development over the past decades that has contributed to remarkable crop intensification, e.g. by tripling rice production largely as a result of irrigated boro rice. Today the country intends to **invest in integrated water management measures to address three major challenges**: (i) climate change leading to sea water intrusion and increased salinity; (ii) decreasing water resources and flows incoming the country and reaching its southern part in particular during the dry season; and (iii) the plan to further develop access to irrigation water in the particularly food insecure southern part of the country. This analysis and further investment in infrastructure and institutions for better management need to be undertaken on a river basin scale, or better the scale of the country in the case of Bangladesh.

7.9 The Government has identified some **key priority investment proposals**: (i) reduce water losses in existing schemes through improved water management (capacity building of water management cooperatives), development of water saving techniques or rehabilitation of existing schemes in order to increase water use efficiency from the current 27%. Ensuring sufficient O&M expenses is essential for the existing schemes and requires strong engagement by the Government and participation of water users; (ii) the development of surface irrigation in the southern part of the country requiring new infrastructure and capacity building possibly building on the ADB and IFAD supported projects implemented by the Ministry of Local Governments; (iii) partially reduce reliance on deep well irrigation in the northern part of the country so as to increase availability in the south, reduce costs and mitigate the risk of Arsenic contamination; (iv) rehabilitate dikes, embankments and other structures particularly affected by previous cyclones to protect vulnerable households and production base against saline water intrusion in the extreme south, (v) improved drainage, saline intrusion control and flood management; and (vi) institutional reform and improved regulatory framework; (vii) increasing river water flow towards the south, in particular involving a major river dredging effort on the Gorai river. A detailed feasibility study was prepared in 2001 but its implementation only started in November 2009 with the new Government and at the time of the completion of the CIP, about 2.97 km had been dredged while the next fiscal year budget foresees much increased efforts;

7.10 Major challenges will need to be addressed during further preparation of this programme, including: (i) best technical options related to irrigation development depending on the specific areas, e.g. where is surface irrigation viable vs. other techniques; (ii) the need to plan irrigation development in an integrated way at national level based on projected decreasing incoming water resources. Above partial investment proposals have to be integrated into a national comprehensive feasibility study to which DPs such as FAO, the Dutch cooperation, ADB, the World Bank and others could contribute. In order to utilize the water of Ganges River in a comprehensive way, the Government has initiated a study entitled as “**Feasibility Study and Detailed Design of Ganges Barrage Project**”; (iii) the institutional and governance issue: Bangladesh Water Board, the Ministry of Local Government and BADC are all involved in water management at different level but with overlapping mandates and their track records, institutional capacities and governance improvement benchmarks will need to be developed; (iv) the need to build on and draw lessons from past and on-going programmes supported by the ADB, Dutch,

IFAD, the World Bank, etc. so as to determine the best technical and implementation options; (v) the need to undertake, where applicable, a fresh technical and institutional assessment of the river dredging proposal in view of current investment and maintenance costs, decreasing water flow during the dry season and the governance issue of such activities.

(Programme3)

Supply and Sustainable Use of Agricultural Inputs.

7.11 The clear focus of the Government is on the **seed sector**. While most of the improved seeds purchased by farmers are either produced by the private sector or imported, the Government intends to re-invest in increased public involvement in the production of basic seeds of food crops and develop partnerships with seed growers for community based seed multiplication. BADC would perform this role: it currently provides 20% of the improved cereal seeds and needs to increase its capacity, to produce basic seeds (from the research centres) and organize contracting with seed multipliers, seed cleaning, packaging and marketing. The Government has specific actions in mind including: developing a new seed farm on a well identified char in the south managed by BADC; and build BADC human capacities and develop the production of new varieties responding to new challenges (stress resistant, hybrid seeds, etc.). There is also a need to strengthen facilities and equipment for seed certification and seed quality testing.

7.12 Restoring soil fertility is a major priority by the Government. Fertilizers are used extensively in Bangladesh. They are subsidized in various degrees, and their distribution is partly controlled by the Government. Subsidies are not part of the CIP, which could cover other requirements including: (i) improve the distribution system and in particular, through the creation of adequate “buffer stock” and its management, and also provision of adequate storage facilities; (ii) fertilizer use efficiency and balanced use of fertilizer, e.g. through propagation of fertilizer deep placement (FDP) at farmers' level to ensure balanced use of fertilizers; (iii) put in place a medium-term demand assessment mechanism; (iv) review of under-performing fertilizer manufacturing units and facilitate debottlenecking / modernization; (v) facilitate installation of new manufacturing units for production of strategic fertilizers such as urea upon careful feasibility studies; (vi) evaluate the cost benefit of such important subsidy programmes in order to improve its efficiency; (vii) put in place an effective fertilizer quality control mechanism, including establishment of a central quality control laboratory; (viii) Research and development activities to work out and disseminate more appropriate and efficient fertilizer application adapted to specific local conditions; (ix) Facilitate establishment of a National Fertilizer Commission under MoA, responsible for an integrated approach on planning and monitoring various aspects related to fertilizer sector.

7.13 The distribution and subsidy system of inputs entails **policy debate** in Bangladesh: Role of public vs. private sector; relevancy for BADC revival and its capacity to do so; efficiency of subsidy programmes, etc. The CIP can contribute to document these issues to facilitate policy debates. Finally, regarding the seed sector, it is advisable to undertake a comprehensive feasibility study for revitalizing the entire seed sector from variety development, testing to seed production, testing and certification in order to rationalize the necessary investments and develop efficient partnerships between public institutions and the private sector.

(Programme 4)

Fishery Development Programme

7.14 In complement to the IFPRI/BIDS report, the Ministry of Fisheries and Livestock has prepared a “Country Investment Plan for Fisheries Resource Development” (2010 – 2015) from which three priorities for investment have emerged:

- **Improved management of inland and marine fisheries resources.** Restoration of some open water capture fisheries. This requires stronger institutional arrangements and strengthening capacities for coordinated management involving users and communities; the development of community – based resource management, including support for fish sanctuaries through training, technical assistance and access to inputs and credit; and the potential development of community based open water aquaculture culture based fisheries; research is needed that would focus on opportunities to increase capture production of small micro-nutrient dense small fish.
- The restoration of habitats through re-excavation of degraded water bodies; establishment of sanctuaries in suitable water bodies; amendment of existing leasing policy from revenue oriented to biological management through public investment and community mobilization; Conservation of hilsha fishery and AIG’s for jatka fishers.
- **Increased productivity for small scale inland aquaculture** by: (i) develop low-cost aquaculture technologies, specially for smallholder farmers; and link aquaculture business with insurance system ii) improving hatchery management practices and genetic quality of potential fish species; (iii) strengthened R&D with a focus on the needs of small farmers and opportunities to include micronutrient-dense small fish in culture systems; (iv) improved public and private advisory services destined for smallholder farmers willing to invest in aquaculture and in particular work out systems to integrate aquaculture with crop systems at farm level; (v) provide advice and facilitate access to quality inputs (fingerlings, adequate feed) and credit for business development; (vi) enhance commercial aquaculture productivity under a public private partnership; (vii) investment to reverse the genetic degradation in carps and other farmed fish species;
- In view of the increasing salinities in the south, support the integration of seasonal brackish-water culture including export oriented **shrimp and prawn culture** with agriculture. This requires PPPs that lead to improvements in the productivity of shrimp production through domestication of prawn and shrimp stocks, enhanced disease control, investments in a diagnostic laboratories, improved extension efforts supported by the private sector to raise quality, capacity building and quality certification to comply with HACCP and SPS conditions..
- the development, assistance and capacity building for community based co-management of wetland;

(Programme 5)

Livestock Development Programme

7.15 The MoFL has also developed a “Road Map to Country Investment Plan for Agriculture, Food Security and Nutrition with Proper Livestock resource management”. A relatively comprehensive list of 13 components with numerous activities for each of them was developed which will require streamlining and prioritization. The programme is designed to **fill the dramatic gap between the national supply of most important sources of animal proteins**

(milk, eggs, meat) and the requirements in terms of nutrition which are 2 to 3 times more important.

7.16 While the above list is long, a **few priorities** emerge: (i) strengthening animal health through the development of community based animal health care, improved disease control and surveillance systems, disease diagnosis equipment, etc.; (ii) capacity building at herder level through strengthening FFS as a means to improve husbandry and feeding practices, access to quality feed and producer organizations in order to enhance value chain efficiency and access to markets; (iii) investing in a systematic cattle and buffalo genetic improvement programme to take advantage of potential for buffalo for its multipurpose use: milk, meat and draught, and; (iv) Private sector development in diversified vaccine production and marketing.

7.17 During preparation, the following will need to be looked at: (i) improved policy environment to enable private entrepreneurs to invest in animal production and processing; (ii) a careful review of the existing interventions on which to draw supported by DANIDA, Care, FAO, IAEA, USAID, BRAC and other NGOs. Indeed, a number of pilot interventions could be scaled up under extended programmes; (iii) the implementation capacity of major institutions in charge of research, veterinary services, etc, and (iv) a thorough consultation with private sector to work out in more detail their requirements to develop their activities and be competitive.

(Programme 6)

Access to markets, improved agricultural value added, increased non farm incomes..

7.18 The **purposes** of this programme are to: (i) facilitate access to market by producers so as to increase their income; (ii) reduce losses and wastage which is a priority of the Government and its Prime Minister; (iii) add value to agricultural produce, and; (iv) reduce transaction costs and therefore increase consumption of diversified food to improve nutrition; (v) promote and support the development of small scale processing units and off-farm activities; (vi) create rural employment.

7.19 A number of **priority investments** have been identified that could form the programme, including:

- the construction and adequate maintenance of rural roads to facilitate marketing of products and access to services in particular in remote areas.
- construction or rehabilitation of rural markets including the supply of potable water, drainage, and storage facilities to improve conditions;
- improvement and rehabilitation of wholesale markets in major cities;
- capacity building for group marketing at community level in the form of marketing groups, service cooperatives which capacities should be developed and training provided;
- training in food quality and safety regulations and requirements so as to comply with market requirements;
- private storage facilities to reduce losses and increase value added;
- value chain analysis and facilitation

- integrated and real time information on price through electronic and telecommunication means, and on market requirement and opportunities;
- assisting the development, access to advice, credit and market of small scale processing enterprises particularly suitable to rural women
- business, technical and managerial advice, business planning for non farm activities;
- mentoring of rural entrepreneurs (access to technical support, credit and markets)

7.20 During programme preparation, a major **consultation** will be required with **all private actors along the value chain** (from farmers to consumers) to understand their requirements and if required remove some of the barriers that constrain their development. Also choices will need to be made during the investment forum on whether or not to include investments such as rural roads or wholesale markets which might be considered outside the scope of the CIP. The identification of rural entrepreneurs and of their needs and of potential rural businesses will be required during programme design.

Component 2: Food Access.

7.21 *The priorities are twofold:*

1. As right to food is a basis behind the NFP, the Government has adopted different approaches to enhance food access in normal years as well as in times when external events like price increase and natural disasters worsen the food security situation in the economy. The 2007-2008 food price crisis followed by the global financial crisis and economic meltdown and the increased impacts of climate change have created a new context and renewed needs for stabilization of food access leading to the need to upgrade institutional and physical capacities to deal with these new and complex challenges. In this context, **the capacity strengthening to formulate and implement food policy and the CIP (Programme 7) and enhanced public food management system (Programme 8) is of considerable importance.**
2. Bangladesh finances a large number of safety net programmes to ensure the right to food of the most vulnerable. Safety net activities (food distribution, cash transfers) are being financed by the Government. In order to better ensure access to food of the most food insecure, the CIP would finance the **(P9) development of an integrated multi year safety net programme** built on the existing scattered programmes and the various studies that are available on their effectiveness, targeting and needs for improvement.

(Programme 7)

Capacity Strengthening for Food Policy and CIP Formulation, implementation and Monitoring

7.22 Ensuring food security requires a well articulated food security policy and a number of other measures like monitoring and impact assessment. Especially, during economic and natural shocks quick and appropriate policy response become critical to protect millions from transient food insecurity.

7.23 The NFP Capacity Strengthening Programme is currently developing the capacity of the MoFDM (in particular its Food Planning and Monitoring Unit) to coordinate, formulate and monitor the implementation of the NFP. The proposed programme will expand and strengthen the current project. It will focus on capacity strengthening of food security policy formulation, monitoring and evaluation, impact assessment and investment cycle management. In particular capacities to coordinate the formulation and implementation of the CIP should be built. This could consist of a mix of formal training, of mentoring of key staff to be identified, possible study tours to their places to share relevant experiences, on-the job training while developing proposals. Capacity building would be destined to the FPMU and other organs of the Food Division, MoFDM including DGoF who are closely associated with NFP-PoA and who would play a role in overseeing, implementing, coordinating and monitoring the CIP; the planning units in the various concerned ministries who will probably be involved in further development of further investment proposals; some more technical staff in the various ministries and important NGOs knowledgeable about specific technical themes covered by the CIP (e.g. seed sector, water management) but who would need skills in developing investment operations; BIDS as an important think tank for studies, etc.

7.24 This would be complemented by capacity strengthening in early warning systems to mitigate the impact of shocks on food security.

(Programme 8)

Programme to Enhance Public Food Management Systems

7.25 **Public food management** involves building food stock through domestic procurement, imports and food aid, management, inspection and distribution of food stocks. Domestic procurement of rice and wheat in the immediate post harvest period is undertaken to ensure an incentive price to farmers. Public food stocks serves at least four purposes: acts as an important instruments to provide incentives to farmers, ensures adequate supply for routine distribution under PFDS, stabilizes/reduces prices for poor consumers and ensures emergency relief and provides resources for food based safety nets. In other words public food stocks serves to ensure food security of the various target groups including in times of crisis. The **period** 2007 – 2009 presented a compound crisis combining high food prices, cyclones in 2007 and 2009 and the 2008 financial crisis, which has further reduced access to food. This programme is designed to reduce the **vulnerability of Bangladesh to external shocks** and their impact on food access, including to ensure “price security” through public food management. Because the international context has changed (price volatility, export restrictions, financial crisis), emerging challenges like climate change and disaster impacts are increasingly visible and challenges like population pressure, increased number of poor, high prevalence of malnutrition etc are persistently prevailing, the optimal size of public stock (estimated at 1.5 million tons in 2002) has to be re-evaluated.

7.26 The Government has identified the following investment areas:

- (i) increased public grain storage capacity through repair of unused warehouses and building modern storage facilities to be better equipped to resist external shocks. Public – private partnerships in storage has to be carefully assessed in terms of national security and efficiency of storage as well as financial mechanisms to finance private involvement;
- (ii) accelerated the computerization of the food stock / storage monitoring system down to the field level in order to improve its efficiency and management and reduce losses;

(iii) continued and expended capacity building of the Food Division, MoFDM and its Directorate of Food to handle public food distribution systems. This includes staff training (e.g. in public food management or effective response to emergencies) and improving supervisory and monitoring activities through logistic support;

(iv) enhanced quality control, e.g. through establishment of labs down to district level; acquiring modern testing equipments and developing guidelines, standards and grading system..

(v) The DG food needs to strengthen its capacities in training and operational research. This could be by setting up a training institute in place of the current training directorate. It would also involve the establishment of a specialized unit to undertake food operational management research, including the field of (a) optimal stock of food grains, (b) impact of Open Market Operations of food grains on price stabilization, and; (c) spatial distribution of existing storage centres and their adequacy and quality vis-a-vis Government targets of food stock in the medium term.

(Programme 9)

Development of an integrated multi year safety net programme.

7.27 Bangladesh has an elaborated system of social safety nets (SSN) operated by 13 different ministries and some NGOs covering various target groups. Some of these programmes are food based, some are cash based, and some are both food and cash based. They aim to ensure income security as a means to poverty reduction and adequate access to food. An important problem that beset these programmes is mis-targeting, i.e., exclusion of eligible beneficiaries and inclusion of non-eligible ones. Also, the multiplicity of programmes leads to some inefficiencies and less than optimal use of resources. Both of these affect the impact of the SSNs in particular in terms of improved food security.

7.28 In this context based on a comprehensive review of the existing studies that have been undertaken during the past years (35 have been identified by IFPRI/BIDS) it is proposed to **develop an ambitious multi-year programme in the view to improve the targeting performance of SSNs, reach the most food secure in the country and streamline and coordinate the current safety net activities.** This programme should also involve partnership with NGOs who are heavily involved in safety net. Attempts should also be undertaken to improve synergies between safety net programmes with productive infrastructure (food or cash for work) such as for irrigation, rural transport and markets. The programme would also finance capacity building at various levels to improve the management of these safety net programmes. This strategic work could be undertaken in collaboration with international partners such as WFP, DFID or others. The institutional and human capacities of the Disaster Management and Relief Division (which currently implements 80% of all safety net programmes) should also be strengthened.

7.29 Targeting effectiveness needs to be improved to ensure that the benefits of the programmes reach the poorest and the food insecure. Commissioning of pilot programmes (in pilot areas) following the devised improved mechanism is also needed. The new programme would also focus on other pertinent issues related to SSNs like scaling up of effective programmes, sustainability of programme benefits, and strong monitoring and evaluation to ensure that the benefits reach the largest proportion of food insecure in the country. Also, complementary feeding and nutrient supplementation should be integrated in safety net programmes. Finally, cost effectiveness of means-tested versus geographic targeting for different population segments or geographical locations will be defined through research and simulation.

Component 3: Food Utilization.

7.30 *Priorities are twofold:*

1. **Substantially improve the nutrition status of malnourished population, in particular the most vulnerable ones including children under 2 and pregnant and lactating women.** Bangladesh has the highest prevalence of malnutrition in the world. Millions of children, adolescents and pregnant and lactating women suffer from one or more forms of malnutrition including low birth weight, stunting, underweight, vitamin A deficiency, iodine deficiency disorders and anaemia. Malnutrition contributes to more than 50% of child deaths. There is a pressing need to invest in both treatment and prevention of malnutrition. Two programmes are proposed to complement activities proposed under the first component or currently covered by public health interventions and the on-going National Nutrition Programme: **(P10) Development of community based nutrition activities through livelihood approaches** to finance a process/programme through which communities, particularly associations of women, are helped increase production and consumption of micronutrient-rich foods through home gardening and integrated horticulture, raising small animals, developing small fish ponds, developing food processing, preservation methods for value-added products along with advocacy, awareness and nutrition education, behavioural change communication (BCC); **(P11) Orienting food and nutrition programmes through updated food consumption and food composition data and behavioural change communication for dietary diversification** as these are now dramatically outdated and needed to provide adequate support at community level.
2. **Food safety is an essential public health function** for Bangladesh. Food and water-borne diarrhoeal diseases are leading causes of illness and death and cause great human suffering and economic losses. There is a need to implement a programme **(P12) on improving food safety and quality for consumer health and nutrition** to develop a comprehensive policy, strengthen capacities of the existing institutions, strengthen consumer protection and build on on-going insufficient food safety activities.

(Programme 10)

Development of Community Based Nutrition Activities through Livelihood Approaches.

7.31 This proposal complements the Bangladesh Integrated Nutrition Project (BINP) that started in 1995 followed by the **National Nutrition Programme (NNP)** since 2001. These are implemented at community level with the support of 15 NGOs. While **home gardening, poultry raising and other community level nutrition-based agricultural activities** were part of project design, they were abandoned in the course of implementation despite being strongly demanded by rural communities. These activities should be revived under this proposal as food based approaches to enhance micronutrient intakes for vulnerable populations and also complemented by **integrated horticultural development, fish ponds, behaviour change communication** or any other activities on demand. This strategy will include linking agriculture and food based nutrition to other nutrition efforts, including health.

7.32 The proposed programme under the CIP would aim to restore a **process to assist the rural communities, based on their local conditions and priorities, to undertake these activities through a livelihood approach aimed to build local capacities and provide**

technical and financial support where required. The challenge at community level will be to link health based interventions (such as emergency treatment for acute malnutrition of supplementary feeding) with long term interventions consisting of empowering communities and families to improve their nutrition status (agricultural diversification, awareness campaigns, education, etc.).

7.33 Agricultural based activities should be linked with health based capacity building nutrition interventions such as awareness campaigns on exclusive breast feeding, promotion of complementary feeding and the prevention of malnutrition through distribution of or access to vitamins and other nutrients.

7.34 Actions in the long run should also be complemented by **immediate treatment of acute malnutrition** in the concerned communities which is the responsibility of the health sector. This would require the distribution of supplementary feeding to ensure rapid nutrition rehabilitation. However, this aspect of the programme should as much as possible take advantage of other mechanisms such as REACH, MDG 1 project or Laser Beam project for which Bangladesh has been selected as a pilot country and with which synergies should be sought..

7.35 While the **Ministry of Health and Family Welfare** is in charge of nutrition activities, the strong involvement of the Ministry of Agriculture (in particular its DAE) and the Ministry of Fisheries and Livestock as well as Ministry of Food and Disaster Management is essential. This integration of activities will need to be worked out as well as the continued involvement of NGOs with which relations should evolve from short term contracting to longer term partnerships. Stronger management, monitoring and evaluation systems will also need to be put in place.

(Programme 11)

Orienting Food and Nutrition Programmes through Updated Food Consumption and Food Composition Data and Behavioural Change Communication on Dietary Diversification

7.36 **Key information is required to orient nutrition policies and programmes.** An updated and comprehensive food consumption survey is essential to inform programme implementers on actual food and nutrient intakes, identify nutritional gaps, set targets and influence a number of the CIP programmes on food availability. Similarly, in the context of the recent introduction of high yielding varieties (HYVs) adapted to climate change and of crop diversification, an update of food composition tables appears important to fill important gaps in order to orient research, extension and production of improved seeds efforts. A dietary diversification study and the creation of advocacy, awareness and nutrition education through nutrition and health behavioural change communication are also proposed.

7.37 This **national nutrition survey** is necessary because while such surveys were conducted about every 10 years since the early 60's, the last available data is from 1995/96. The Ministry of Health and Family Welfare is in charge but an important challenge is also to associate the Ministry of Agriculture. The Institute of Food Science (INFS) of the University of Dhaka take the lead with other institutes. These have qualified personal and good laboratories but their human and physical capacities would need to be strengthened as well as support to undertake the field surveys.

(Programme 12)

Improving Food Safety and Quality for Consumer Health and Nutrition

7.38 The formulation of a **National Food Safety and Quality Policy and the elaboration of a comprehensive Plan of Action** are essential in efforts to improve both public health and the nutritional status of the population. Currently there is no specific or comprehensive policy on food safety although the NPP implemented by the MoHFW address some of the food safety issues. Other needs include the absence of reliable surveillance data on food borne illnesses, and this impedes our understanding of the extent of the disease burden, its health and nutritional implications, and the development of evidence-based interventions. The establishment and expansion of sentinel/pilot sites for surveillance of food borne illnesses is necessary. The current legislative instruments controlling food safety and quality are in urgent need of overhaul. The Bangladesh Pure Food (Amendment) Act, Rules and Regulations are mostly outdated and do not focus on the key food safety issues and risks.

7.39 The National Food Safety Advisory Council (NFSAC) was created in 2005, and has only recently been reconvened to oversee food safety, however its mandate and authority is yet to be fully explored. It requires support in the form of a full time Secretariat with full-time logistic staff. The absence of a well-equipped and resourced National Food Analysis Laboratory is a critical deficiency and efforts to establish such a facility are underway. It will require ongoing technical and administrative support so it may expand its role and functions. The inability to support Sanitary Inspectors with analytical data inhibits the enforcement of laws and improvements in food control. The absence of effective information, education and communication materials on food safety and food hygiene is a major deficiency. The development of educational materials, training programmes and the delivery of outreach activities for all sectors of the food supply chain and for consumers is a major shortcoming. A particular focus should be on behavioural change in food hygiene for consumers and food handlers.

7.40 FAO is assisting Bangladesh in the areas of food safety policy development, food control management, preventive approaches for food safety, food inspection and enforcement, and food analysis. These activities need to extend beyond the length of the project (June 2012) to meet the ongoing capacity building needs and to facilitate the development of comprehensive food control activities which address the entire food supply chain. The **Ministry of Health and Family Welfare** will lead these activities along with Food Division, MoFDM and other Ministries and Institutes. Planning, establishment and development of a national food control authority is considered essential, and while this initially will involve the NFSAC, the development of a management model for overseeing food safety and quality should be examined. There is a need for a dedicated unit overseeing food control, including appropriate staffing.

7.41 The following **Table** summarizes the main features of the proposed programmes and could be a basis for discussion of the overall structure of the CIP during the food security investment forum of 26-27 May. At this stage, the costing of the programmes could not be undertaken and will have to be undertaken during the coming weeks. They will depend on the scope of the programmes, themselves largely determined by the absorption and implementation capacities, though the latter will be strengthened as one of the main purposes of the CIP itself.

No	Component	Programme Title	Proposed Focus and Priority Interventions	Main Institutions and DPs involved	Indicative Cost (million US\$)
1	Food Availability	Integrated research and extension to develop and propagate sustainable responses to climate change	<ol style="list-style-type: none"> enhance research to adapt to climate change Develop Community Based Learning and Experimentation practices (expand the FFS programmes) Promote Sustainable agriculture practices (conservation agriculture, integrated pest management or integrated crop management) 	BARC, DAE BADC, ASPS, NATP, IFAD, FAO, DANIDA DFID, ADB, BWDB	1,559
2		Improved Water Management and Infrastructure for Irrigation Purposes	<ol style="list-style-type: none"> Improve Water management at farm level (capacity building for water users, rehabilitation of infrastructure); Surface Irrigation in the South; reduce deep well pumping in the north; Protection infrastructure rehabilitation against sea intrusion Gorai River dredging to increase water flow to the south 	MoWR, BWDB MoLG MoA, BADC WB, ADB, IFAD Dutch Coop.	1,186
3		Supply and Sustainable Use of Agricultural Inputs.	<ol style="list-style-type: none"> Partnerships (BADC. private sector) for improved /stress tolerant seed multiplic. Building capacities for seed quality, testing and certification Improved and More rationale use and quality control of fertilizers 	BADC, Private Sector, NATP FAO, DANIDA	624
4		Fishery Development Programme	<ol style="list-style-type: none"> Restore some of the inland open water fisheries Develop small scale inland aquaculture Provide quality enhancement and certification for shrimp culture 	MoFL FAO, JICA, IFAD WB, DANIDA	1,091
5		Livestock Development Programme	<ol style="list-style-type: none"> Strengthening animal health services Capacity building and training at herder level and feed processing Cattle and buffalo genetic improvement activities 	MoLF ADB, DANIDA WB, FAO, IFAD	624
6		Access to markets, improved agricultural value added, increased non farm incomes	<ol style="list-style-type: none"> Improvement of rural roads and markets Group marketing and training at community level Private Storage, value chain facilitation, information provision Assist the development of off farm activities and rural businesses 	MoA, MoFL IFAD, DANIDA ADB, IDB	1,082
7	Food Access	Capacity Strengthening for Food Policy and CIP Formulation, Implementation and Monitoring	<ol style="list-style-type: none"> Strengthening and expanding capacity to implement, monitor and coordinate NFP-PoA; Strengthening the capacity to formulate, implement, monitor and coordinate the CIP programmes 	Food division, MoFDM, FPMU, DGoF, USAID, EU, FAO	107
8		Enhance Public Food Management Systems	<ol style="list-style-type: none"> Enhance efficiency of Public Management Systems (improve operational procedure; adopt ICT and computerization and develop operation research) Build capacities of MoFDM and Directorate of food to manage the food system Increase and modernize public storage and handling facilities Strengthen capacity of quality control of food and food stuffs 	Food Division, MoFDM,; DGoF, EU, WFP DFID	625
9		Development of an integrated multi year safety net programme.	<ol style="list-style-type: none"> Formulate a new comprehensive safety net programmes, streamlining the existing safety net programmes and enhancing their impacts; Re-design, streamline safety net programmes in partnership with relevant stakeholders Improve institutional capacity to effectively operate SSNPs 	MoFDM WFP, EU	1,665
10	Food Utilization	Community based nutrition activities through livelihood approaches	<ol style="list-style-type: none"> Build on and complement the National Nutrition Programme (NNP) process to assist rural communities to develop their own nutrition activities, through a livelihood approach, complemented by health oriented awareness campaigns Support to develop gardens, small animals, behaviour changes, etc. Link long term with immediate treatment of acute malnutrition 	MoHFW, MoA, MoFL, MoFDM EU, WB FAO, UNICEF	1,254
11		Orient Food and Nutrition Programmes through data	<ol style="list-style-type: none"> Update food consumption survey, food composition tables work out updated nutrition messages and build capacities 	Food Division/FPMU, MoH, INFS, EU, WFP, UNICEF, FAO	50
12		Food Safety and Quality Improvement	<ol style="list-style-type: none"> Improve surveillance system of food borne illnesses Enhance capacities and laboratories for food control and safety 	Food Division/DGoF/FPMU, MoH NFSAC, EU, WHO, FAO	187

8. PRELIMINARY COSTS AND FINANCING REQUIREMENTS

8.1 At this stage, only preliminary costing of the proposed CIP could be undertaken. More detailed cost estimates of the respective programmes will require in-depth design work which will occur during a second phase once potential sources of financing have been identified so that actual preparatory work for specific programmes can be jointly initiated between the Government and the specific financiers.

8.2 The following Table summarizes projections of costs and financing requirements for the 5 year duration of the CIP:

- Column 1:** projection for 5 years of financial resources currently available in support of the programmes. This reflects provisions in the Annual Development Programmes (ADPs) for the specific activities supported by the 12 programmes. The ADP represents the budgetary tool used by the Government to allocate resources on an annual basis in support of investment (i.e. excluding current expenditures). The ADPs for 2009-2010 and 2010-2011 were used to project expenditures of the next 5 years: an overall 12% increase occurred between the two fiscal years in support of agriculture, food security and nutrition (see Annex 3 for more details), which indicates the strong commitment of the Government. A continuing 12% annual increase was assumed during the coming years as a sign of sustained engagement and strong commitment of the Government to support the CIP. The ADP incorporates both budget capital expenditures as well as expenses projected under Development Partners' projects and programmes. **Total projection of available resources account to US\$ 3.0 billion;**
- Column 2:** The estimated costs of the programmes over a five year period. The primary source of information has been the National Strategy for Accelerated Poverty Reduction II (revised) which provides estimates of investment requirements for the 3-year duration of the strategy. This document already reflects the ambitions of the new Government reflected in the Election Manifesto of the Bangladesh Awami League. This information is complemented by separate meetings which have been held with the planning units of four ministries involved in the CIP, i.e. MoFDM, MoA, MoFL and MoWR. These units have provided inputs that were used to refine the projections derived from the NSAPR II. Calculation and methodology used to use broad cost figures forecasted in the NSAPR II in order to derive approximate costing of the CIP programmes is provided in Annex 3. Total estimated requirements were estimated at US\$ 10.1 billion;
- Columns 3 and 4.** The financing gap is then derived by subtracting the current projected available resources from the total estimated requirement for the five year period. Total estimated gap is US\$ 7.1 billion to be financed from addition resources. This corresponds to 70 % of total while 30% are already financed from existing sources.

Table: Costs and Financing Gaps for the CIP (2011-2015) (in US\$ million)

No	Programme	1. Currently projected Financing	2. Total Cost	3. Financing Gap
1	Integrated research and extension to develop and propagate sustainable responses to climate change	175	1,559	984
2	Improved Water Management and Infrastructure for Irrigation Purposes	813	1,186	373
3	Supply and Sustainable Use of Agricultural	171	890	453

	Inputs.			
4	Fishery Development Programme	98	1,091	993
5	Livestock Development Programme	109	624	515
6	Access to markets, improved agricultural value added, increased non farm incomes	560	1,082	522
7	Capacity Strengthening for Food Policy and CIP Formulation, Implementation and Monitoring	24	107	83
8	Enhance Public Food Management Systems	359	625	266
9	Development of an integrated multi year safety net programme.	435	1,665	1,230
10	Community based nutrition activities through livelihood approaches	230	1,254	1,024
11	Orient Food and Nutrition Programmes through data	0	50	50
12	Food Safety and Quality Improvement	11	187	176
TOTAL		2,984	10,054	7,070

9. COORDINATION AND MONITORING AND EVALUATION

9.1 The **coordination** of the formulation and implementation of the NFP and its PoA has been the responsibility of the Food Policy Working group and on a day to day basis of the Food Planning and Monitoring Unit (FPMU) of the MoFDM. While the implementation of the CIP programmes will be the responsibility of the respective ministries and other agencies and actors, its coordination and overall monitoring and evaluation will be carried out as per Rules of Business of the Government and Allocation of Businesses to the Ministries. However, it is proposed that the FPMU continues to play this role by expanding its capacities in investment programming and monitoring (part of programme 7) and by associating with other Government agencies which will be involved and for which the respective roles should be further refined, including the planning commission and the Ministry of finance. For strategic guidance, the Government intends to set up an Inter-agency Steering Committee to oversee and coordinate the implementation of the CIP. It is important that the CIP is integrated in the planning process of the Government.

9.2 The following **coordination functions** should be covered by the coordination mechanism to put in place:

- achieve synergies and complementarities and avoid discrepancies and duplications between the various CIP programmes (e.g. working in same regions, mobilizing same communities and stakeholders);
- mobilization and alignment of financial resources (both from the budget and from DPs) to support the implementation of the CIP in a prioritized way. This will be the chief role of the Ministry of Finance;
- keep focus on food security and nutrition improvement of the various programmes, e.g. by maintaining advice on how best to design and implement these programmes so as to optimize their impact on food access and utilization. The FPMU should be instrumental;

- mobilization of the adequate institutions / ministries to be involved in the various programmes and ensure their good collaboration and adequate share of work on the basis of their mandates and capacities. The planning commission will play an important role;
- Overall impact assessment of the CIP implementation as described below.

9.3 More detailed implementation arrangements, implementation schedules, financing plans will be developed for each of the CIP programmes when these are specifically designed.

9.4 **Monitoring and Evaluation (M&E)** activities could be divided into the following three functions. A M&E system and unit would be put in place in each of the programmes and be in charge of the first two functions (on-going monitoring and participatory evaluation) while the third function (impact assessment) would be the responsibility of the coordination team of CIP (FPMU and associated Government entities). The three functions are:

- **On-going monitoring.** This includes financial and physical monitoring (financing tracking, expenditures, physical input and outputs, physical achievements). As a common practice, quarterly progress reports could be issued for each of the programmes. The purposes of on-going monitoring is to document progress, account for achievement, identify difficulties in implementation and adequately advise programme managers so as to possibly re-orient interventions;
- **Participatory Evaluation.** This would also involve specific units in each of the programme implementation teams as well as external partners requested to bring independent contributions to these evaluations. This would involve extensive consultation with stakeholders participating on the programmes and aim at providing their feed back as well as evaluating performances in terms of expected outcomes of the specific programmes. Results would be consigned on the form of annual reports and would also be used as a means to bring to managers and implementers the feed back they need to improve the effectiveness of the interventions. This would enable revising the CIP on a regular basis as the CIP is considered as a living document. The Table below summarizes the expected outcomes of the specific programmes.
- **Overall Impact Assessment** based on the main expected food security and nutrition indicators as identified by the NFP, including the percentage and number of under nourished, calories intake, diet composition and malnutrition indicators (stunting, wasting, acute malnutrition). These final outcomes will result from the combination of programmes and activities and it is therefore not possible to credit any specific programme for their change overtime.

No	Programme Title	Food Availability	Food Access	Food Utilization
1	Integrated research and extension to develop and propagate sustainable responses to climate change	Increased productivity of food crops Increased resilience/adaptation to climate change More sustainable and resilient farming systems are being applied	Enable vulnerable farmers to improve their agricultural based livelihoods Increased incomes from food crops Increased resilience of livelihoods	Diversification of crop varieties adapted to climate change increased diversification through the promotion of integrated farming systems
2	Improved Water Management and Infrastructure for Irrigation Purposes	Increased productivity Expansion of area under secured irrigation areas and protection against floods Development of irrigated crops	More stable crop production; Protection of livelihoods vulnerable to drought and climate change Increased income from higher value crops	Diversification of irrigated crops enabled by more stable and secured irrigation water
3	Supply and Sustainable Use of Agricultural Inputs.	Crop productivity Stable crop production Sustainability of farming systems	Sustainable access to good quality inputs	Wider range of agricultural inputs (seeds, fertilizers, tools) for more diversified crops
4	Fishery development Programme	Increased availability of fish Maintaining sustainable fish stocks	Marketing and export of fish and shrimps Employment creation	Increased intake of fish Increased share of proteins in diet
5	Livestock Development Programme	Increased availability of animal products Herd size increased; improved animal health status	Marketing and import substitution of animal products Employment creation	Increased intake of eggs, milk and meat Increased share of animal proteins in diet
6	Access to markets, improved agricultural value added, increased non farm incomes	increased agricultural produce increased agricultural value added	Increased producers' incomes Reduced post harvest losses Increased non farm incomes	Increased consumption of diversified nutritious products
7	Capacity Strengthening for Food Policy and CIP Formulation, Implementation and Monitoring	Effectiveness of investment operations in agriculture, fisheries and livestock	Synergies between programmes aimed to ensure right to food;	Maintain focus on increased diversification of agricultural programmes
8	Enhance Public Food Management Systems	Increased incentives to produce through local purchases	Physical Access in time of crisis Social access in times of volatile prices or low supply in the market	Increase macro-nutrient availability and stabilize prices; Provide improved nutrition to children and women through PFDS and safety nets
9	Development of an integrated multi year safety net programme.	Development of productive infrastructure (e.g. through cash or food for work) such as irrigation, rural roads, etc.	Effectiveness and accuracy of targeting of safety net programmes Increased food intake, reduced poverty	Nutritious content of food based safety net programme Increased intake of complementary food and nutrient supplements

			Purchasing power of targeted population	
10	Community based nutrition activities through livelihood approaches	Increased production and quantity of marketed products;	Increase return from sale of extra products	Increased farm product diversity Increase production and intake of animal products Improved diet of rural populations Better nutrition, reduced acute malnutrition
11	Orient Food and Nutrition Programmes through data	Use results to orient variety development and seed multiplication	Better designed food-based safety nets adapted to current diets and needs for improvement (nutritious gaps)	More effective nutrition programmes Better nutritional advice to communities
12	Food Safety and Quality Improvement	Improved availability of safe food	Better prospects for national and export markets	Safe utilization of nutritious food Diversified agricultural production

10. PROPOSED NEXT STEPS: A ROAD MAP TOWARDS INVESTMENT

10.1 The **Bangladesh Food Security Investment Forum** took place in Dhaka on 26-27 May 2010, organized by the Government, facilitated by IFPRI and BIDS and supported by USAID, the EU, DFID and other partners. One of the forum sessions was dedicated to the presentation of a draft CIP in order to receive feed back from the participants. The outcome of the forum paves the way forward:

- the forum calls for finalization of the CIP by the Government after incorporation of the comments made during the forum. This has been undertaken in this revised CIP;
- The Forum calls upon the development partners and the multilateral financial organizations, especially the members of the Local Consultative Group and Sub Groups on Agriculture, Food Security and Rural Development and Health, to mobilize and deliver adequate technical and financial resources in a harmonized and predictable manner for the implementation of the CIP;
- The Forum calls upon the Government to prepare and plan its programmes in a prioritized and timely fashion for their implementation and allocate budgetary resources subject to national capability;

10.2 On this basis following the release of the CIP, specific financial institutions are expected to show interest and commitment around specific programmes for investment. This should lead to a more detailed preparation of these particular programmes, to be undertaken through an inclusive process in partnership between the Government, the concerned financing institutions and with the external technical support of external partners (see next section).

10.3 The preparation of these programmes would require:

- (i) a more complete review and lesson taking from past and on-going operations in the concerned sector in order to possibly upscale or fill gaps in these operations. This should be complemented with a review of planned or projected actions, projects and programmatic processes of the main development partners (an attempt is underway to obtain information from the major bilateral and multilateral donors in Dhaka);
- (ii) a careful technical design and assessment of the proposals;
- (iii) social and environmental assessment if required;
- (iv) a careful costing and a financing plan, including the identification of financing gaps;
- (v) financial and economic cost benefit analyses;
- (vi) setting up a comprehensive monitoring and evaluation system;
- (vii) proposals for capacity strengthening activities based on assessments of institutional capacities;

(viii) Highlight policy issues to be addressed during preparation or implementation;

(ix) the development of a clear implementation plan and procedures.

10.4 It is very important that this preparatory work be undertaken in close collaboration between the Government and those partners who have indicated a particular interest for some activities or programmes. The purpose is to comply with agreed upon requirements on which the Government and the concerned financing institution(s) will have agreed at an initial stage.

10.5 An institutional arrangement will need to be established in country to develop the CIP's programmes aimed to define the roles and contributions of various Government institutions and its national and international partners. The Government will also establish an Inter-agency Steering Committee to oversee and coordinate the implementation of the CIP. This will possibly building on the institutional arrangements already in place for the monitoring of the NFP PoA. The need is to have a team with the mandate (authority and ability to mobilize) and capacity (planning methodology, investment and technical skills) to design such a plan and programmes with the assistance of development partners. The team should be able to mobilize the planning/policy units and, if required, some technical expertise from the relevant ministries, in particular the MoA, MoFDM, MoLF, MoLG, MoH. The Ministry of Finance (in particular its Finance Division), which is mandated to mobilize and allocate resources, needs to be associated from the start of the design and preparation process.

10.6 The preparation process will need to be well coordinated and **inclusive**. In particular, it will need to associate and extensively consult: (i) Civil society and in particular representatives from the farmer community. Because farmers associations apex organizations do not exist, decentralized consultations with groups or associations of farmers will need to be organized; (ii) NGOs which form a vibrant community in Bangladesh and which need to be brought into a solid partnership during preparation and implementation; (iii) the private sector so as to capture their requirements and best way to facilitate private investment; (iv) local authorities for their more specific knowledge of local conditions, constraints, opportunities and requirements.

10.7 When preparation is completed, the programmes would be appraised, negotiated and approved by the concerned financing institutions or global financial mechanisms such as GAFSP. A desired deadline is to have the first programmes to be financed by the end of 2010 and implemented as soon as possible thereafter.

11. ROLE OF DEVELOPMENT PARTNERS (DPS)

11.1 While the initial support to the Government in this process has been from USAID, IFPRI, BIDS, EC, DFID, DANIDA and FAO, it is essential that all the main development partners active in the agriculture and food and nutrition sectors are increasingly involved so as to contribute their vast experience, ideas and progressively support the Government in its efforts to develop a coherent investment plan for agriculture and food security eventually reaching consensus. This is in particular the case for multilateral financing institutions (ADB, WB, IFAD, IsDB), the main bilateral donors (USAID, EU, Danida, Japan and DFID) as well as for UN agencies playing more a technical role such as FAO, WFP, UNICEF, UNDP and WHO. Existing coordination mechanisms of DPs such as the LCG AFSRD and the UN country team should be used to organized this joint support to the CIP.

11.2 The Development Partners (DPs) are expected to contribute to some of the following:

- **review of their portfolio** in light of the Government priorities materialized by the programmes forming the future CIP. This review is essential and would enable stakeholders to draw lessons, identify interventions on which to build or to extend and provide recommendations for new programmes and implementation mechanisms
- progressively **align** their of interventions around a shared plan so as to increase synergies and complementarities. DPs have their on-going portfolios and programming processes with the Government. By progressively aligning these to a CIP around which consensus will have been built, the DPs would make an important contribution to aid effectiveness in the sector of agriculture, food security and nutrition, in line with the JCS which was signed on 2 June 2010.
- **capacity building**. This aims to build capacities both during programme development and implementation. UN agencies such as FAO, WFP, IFAD, UNICEF have an important role to play.
- **technical advice and support** during the more detailed preparation stage and for which FAO can draw on its technical expertise of required. A number of technical challenges (e.g. related to irrigation development, the development of the seed sector, of the livestock sub-sector, nutrition programme) require further feasibility studies;
- eventual **financial support** to finance parts of the CIP that fit with priorities of the respective bilateral and multilateral financing institutions;

11.3 While other partners should propose the best way they believe they could assist the Government, FAO, which has worked with the Government on preparing this CIP, is ready, until the end of 2010, to provide the following:

- **methodological support** to develop what is required to prepare CIP programmes (further technical design, feasibility studies, environmental and social assessment, cost benefit analysis, implementation arrangements, monitoring and evaluation requirements, etc.) Its investment centre can contribute its experience and knowledge in these areas;
- provide **technical advice** on the various areas of the plan drawing on its technical expertise in Bangladesh, its regional office (RAP) and technical divisions in headquarters. For the main items proposed so far, focal persons have already been identified and contributed their knowledge;
- **build national capacities** for both programme development and institutional capacities to facilitate the implementation of the CIP. This will be undertaken “on-the-job” while developing the CIP and its programmes. This capacity development efforts will coordinate with and complement the one being provided in the context of the NFP PoA;
- ensure and efficient the **link between the Bangladesh Government and financing institutions** supporting the CIP and facilitate access to global sources of funds in the context of AFSI such as the GAFPS.