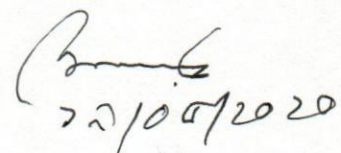


Annex 1

Livestock and Dairy Development Project Contingency Emergency Response Component - CERC

EMERGENCY OPERATION MANUAL

MAY 19, 2020



22/05/2020

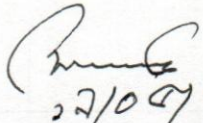
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Executive Summary

1. This Annex was prepared pursuant to the Financing Agreement for the Livestock and Dairy Development Project (P161246). The Financing Agreement stipulates the preparation and submission of an Emergency Response Operations Manual (hereafter referred to as the Emergency Operations Manual - EOM) in the form of an Annex to the Project Implementation Manual (Contingency Emergency Response Component - CERC Annex) as one of two conditions for implementation of said Component.
2. This Annex serves as the Government of Bangladesh's (GOB) EOM and details (i) the proposed emergency activities to be financed by the proceeds allocated to the Project's CERC and its Disbursement Category 6; and (ii) the coordination and implementation arrangements related to the programing and execution of said activities.
3. This document is considered an annex to the Project Implementation Manual (PIM) of the Livestock and Dairy Development Project.
4. Upon non-objection by the World Bank, the EOM will be annexed to the Livestock and Dairy Development Project's Implementation Manual and will be used by the Implementing Agency through its Project Management Unit (PMU), as they relate to:
 - a. Triggering the CERC;
 - b. Coordination and implementation of the emergency activities;
 - c. Procurement, financial management and disbursement functions;
 - d. Compliance with the Project's safeguard policies; and
 - e. Monitoring and evaluation of the emergency activities.
5. The specific activities to be financed by the proceeds reallocated to CERC are event and demand driven. The contents of this EOM represent the framework by which this component will be triggered and by which the approved activities will be coordinated and implemented in accordance with World Bank and national policies and procedures as agreed with the World Bank.

A - Background

6. The GoB received financing from the World Bank/IDA for the purposes of implementing in the Livestock and Dairy Development Project, which development objective is to improve productivity, market access, and resilience of smallholder farmers and agro-entrepreneurs operating in selected livestock value chains in target areas of Bangladesh. The Project's loan amount is SDR 356.8 million, of which SDR 0 is allocated to CERC. Consistent with the Project's development objective, the CERC funds will finance disaster relief and post-disaster emergency recovery eligible expenditures in support the Government's rapid emergency response efforts.
7. In an event or imminence of a major crisis or emergency, the GoB may submit a request to reallocate funding within the Livestock and Dairy Development Project vis-à-vis the allocation of uncommitted financial resources to CERC to address emergency response needs. The use of such resources will be subject to Bank non-objection.

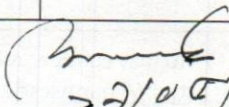

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C - Coordination & Implementation Arrangements

13. The Livestock and Dairy Development Project (LDDP) Implementing Agency through its Project Management Unit (PMU) is the lead agency within the GoB responsible for the implementation of emergency activities including all aspects related to procurement, financial management, monitoring & evaluation and safeguard compliance.
14. Other relevant Governmental agencies may provide technical assistance to the PMU as related to the finalization of procurement bidding documents and the technical supervision of the emergency recovery and reconstruction activities. The Government may bolster its supervision capacity through the engagement of technical consultants to support the governmental agencies in the finalization of bidding documents and site supervision of works. The technical consultants shall work closely with the governmental agencies but report to the PMU.
15. The Ministry of Finance (MoF), notably its Economic Relations Division (ERD), with support of the Ministry of Fisheries and Livestock (MoFL), notably its department of Livestock Services (DLS), will be responsible for:
 - a. Ensuring the delivery of the emergency activities outputs and the attainments of outcomes by facilitating coordination amongst the governmental agencies and institutions participating in the implementation and by addressing coordination issues as they arise;
 - b. Reviewing progress reports as submitted by the Project Director (PD-LDDP) and take action thereon if needed; and
 - c. Providing guidance as needed.
16. Below is a table that summarizes the specific implementation steps associated with the emergency activities and the assigned responsibilities:

Table 1: Steps for implementation

Step	Actions	Responsible
1	Decision to trigger CERC: In the event of an official declaration of emergency, based on preliminary damage and needs assessment, the MoF will inform the Bank about its interest of triggering CERC	MoF
2	Identification of emergency activities: Following MoF's decision to trigger CERC, it will seek support from the Bank through the PMU in the selection of a list of emergency response activities within the Positive List based on results of the preliminary damage and needs assessment. Summary information will be prepared on proposed activities, including the nature and amount of goods, the location and type of the proposed emergency services/works and their preliminary technical specifications, estimated costs and safeguard implications, if any.	MoF / WB / PMU & governmental agencies
3	Request of activation: The MoF will send a letter requesting the activation of the CERC to WB. This letter shall include the description of the event, the needs, indication of funding source and amount to be reallocated, and list of activities to be carried out in response to the emergency.	MoF / PMU
4	WB review and CERC activation: The World Bank notifies the MoF of CERC activation upon positive review of the request and the lifting of all disbursement conditions.	WB

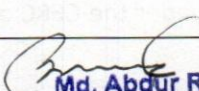

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approved list of emergency activities as soon as it is feasible. The thresholds for selection methods to be applied for procurement under the CERC during the emergency response and the reconstruction phase will be agreed with the Bank in the approved procurement plan. The approved procurement plan will be used for monitoring and reporting purposes. There is normally no Bank prior review for procurement in CERCs. The Bank's oversight and due diligence of procurement are done through augmented implementation support, increased procurement post review, and/or third-party procurement reviews.

20. Table 2 presents a positive list that should be used for the procurement or reimbursement of already procured goods that might be required for the Government's emergency recovery effort, as well as services, works and operational costs. The GoB and the Bank may reach agreement on the conditions for the release of the financial tranches and the required documentation and certifications, such as customs and tax certificates or invoices. The acceptable procedures and addressing any associated risks and mitigation measures should be agreed.

Table 2: Positive list of goods, services and works

Item
Goods
<ul style="list-style-type: none"> • Medical equipment and supplies • Non-perishable foods (which would require special approval from the Bank, depending on circumstances), bottled water and containers • Tents for advanced medical posts, temporary housing, and classroom/daycare substitution • Equipment and supplies for temporary housing/living (gas stoves, utensils, tents, beds, sleeping bags, mattresses, blankets, hammocks, mosquito nets, kit of personal and family hygiene, etc.) and schooling • Spare parts, equipment and supplies for engines, transport, construction vehicles (upon specific request for approval from the Bank and Bank's approval, as vehicles are not financed as per the Country Financing Parameters for Bangladesh) • Customized vehicles (Vans, trucks and SUVs) for special purpose – (only eligible for import reimbursement and upon specific request for approval from the Bank and subject to Bank's approval, as vehicles are not financed as per the Country Financing Parameters for Bangladesh) • Equipment, tools, materials and supplies for search and rescue (including light motorboats and engines for transport and rescue, and vehicles upon specific request for approval from the Bank and subject to Bank's approval, as vehicles are not financed as per the Country Financing Parameters for Bangladesh) • Tools and construction supplies (roofing, cement, iron, stone, blocks, etc.) • Equipment and supplies for communications and broadcasting (radios, antennas, batteries) • Water pumps and tanks for water storage • Equipment, materials and supplies for disinfection of drinking water and repair/rehabilitate of black water collection systems • Equipment, tools and supplies for agriculture, livestock rearing, forestry, and fisheries • Feed and veterinary inputs (vaccines, vitamin tablets, etc.) • Compensation packages to value chain actors against economic loss encountered during crisis because of depleted production or sales
Services
<ul style="list-style-type: none"> • Consulting services related to emergency response including, but not limited to urgent studies necessary to determine the impact of the disaster and to serve as a baseline for the recovery and reconstruction process, and support to the implementation of emergency response activities • Non-consultant services including, but not limited to drilling, equipment rental, aerial photographs, satellite images, maps and other similar operations, information and awareness campaigns


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funds will be transferred from the World Bank account to the LDDP designated account for CERC, as advance for expenditures pertaining to CERC to facilitate the financing of all emergency activities related to addressing the emergency or crisis.

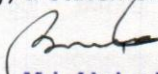
27. **Disbursement Procedures:** Following are the disbursement modalities for use of allocations under CERC in addition to those detailed in the Operation Manual of the Project:

- a. Request for advances to designated account for expenditure to incur or incurred towards expenditures and incremental and operating costs for agreed emergency activities as per table-2 of this manual, executed by the authorized executing agencies (EAs)
- b. Direct payments may be made to suppliers or contractors as mentioned in the Disbursement and Financial Information Letter on recommendation of the PD-LDDP upon submission of the required documentation, e.g. Invoice, Material Receipt Vouchers, Shipping documents, etc. duly attested /approved by the designated authority of the approved recipients; the minimum application size may be reduced for the CERC part.
- c. Reimbursements to the Recipient for expenditures which are part of the positive list of approved expenditures (Cf. Table 2) as mentioned in the Disbursement and Financial Information Letter and were made from GoB's own resources are eligible for retroactive financing; and
- d. Submission of request for withdrawals may be based on submission of monthly Statement of Expenditures, as required to expedite expenditure.

28. **Accounting and Reporting:** The accounting for expenditures and maintenance of records for all expenditures relating to the CERC at the PMU level shall be done by the PD-LDDP (Department of Livestock Services, MoFL), as detailed in the Project Implementation Manual. LDDP will use separate BACS (Budget & Accounts Classification System) CERC codes for fund flow (CERC fund component agreement) budgeting and accounting (economic sub-category and line-items). Authorized livestock offices receiving funds under CERC shall submit their Statement of Expenditure (SoE) with bank statement within seven days after the end of each month to the PMU with all relevant supporting documents. The PMU in turn shall consolidate the expenditure and prepare a monthly accounts statement along with bank reconciliation statement and submit the same to the Bank within 15 (fifteen) days after the end of each month along with the withdrawal application. The consolidated monthly accounts statement reports shall include the amount disbursed to the authorized livestock offices and the budget code wise actual expenditure incurred (disaggregated by District/Upazila) during the period of emergency operations or exhaustion of funds allocated under the CERC, whichever is earlier. The consolidated report shall be posted on the Ministry of Fisheries and Livestock (MoFL) website to enhance transparency and social accountability. In case of cash incentive /support to eligible recipients, funds must be transferred directly to the recipients' bank account, e-mobile transfer or B-Cash. To ensure the transfer of funds to actual participants in case of e-mobile or B-cash, and to preserve audit evidence, a copy of the national identity card of each participant, along with respective mobile phone numbers, and acknowledgement of receipt of fund by the beneficiaries must be preserved at the project office. The computation of cash transfers due to beneficiaries would be checked by an authorized authority.

29. **Interim and Annual Reporting:** the PMU of LDDP will be responsible for submission of quarterly Interim Unaudited Financial Reports (IUFRs) for the purpose of monitoring of expenditure incurred under the CERC. These will contain information item wise activity against which expenditure was made. Reports will be prepared on a cash accounting basis and will be submitted to the World Bank no later than 45 days after the end of each month/quarter (based on the fund requirements). The IUFRs should follow the same template as that of the Projects, also included in the Operation Manual of the LDDP.

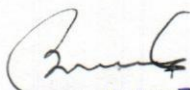
30. **External Audit:** The annual statutory audit of the expenditure under the CERC shall follow the same arrangements as detailed in the Implementation Manual of the LDDP. Additionally, a Statement of


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Framework during restructuring. The CERC activities will be part of the regular Project monitoring and will be assessed as part of the final project evaluation.

35. Given the large number of post-disaster activities that may be initiated shortly after the approval of the use of the contingent funding – in addition to those already under implementation – the PMU may hire additional technical consultants to support supervision and procedural compliance efforts, particularly as they pertain to fiduciary and safeguards.
36. As the triggering, timing, and disbursement of CERC financing will be demand and event driven, quantitative targets cannot be pre-determined for geographical areas covered or for the number, type or scale of civil works, goods and services supported. As such, the overall M&E framework will be based on rigorous physical and financial progress reporting supplemented by technical inspections of select CERC-financed activities.
37. In addition to the standard external financial audit required per the FA, it is suggested that an independent technical monitoring entity acceptable to the World Bank be hired by the Recipient⁶ to inspect and evaluate CERC financed activities. This is of particular importance in low-capacity environments where the ability of the coordinating authority to produce comprehensive M&E reports (Project Advancement and Completion Reports) is out-weighted by the nature of the event. The independent monitoring entity will possibly review the following:
 - a. Appropriateness of the contracting approach & unit prices relative to market prices and the estimated costs of reconstruction;
 - b. Adherence to acceptable and agreed commercial practices or emergency procedures;
 - c. Appropriateness of the use of funds for intended eligible purposes;
 - d. If necessary, propose changes to current practices to improve damage, loss and needs assessment; and
 - e. Sub-project eligibility criteria, procedures for identifying and selecting sub-projects and rates of disbursement and, if necessary, propose appropriate changes to operating procedures.
38. Within four months after end of implementation of the CERC-Emergency Action Plan (EAP), the project will document expenditures, verify inventories, and finalize payments. On receipt of the final progress and financial reports on the activities undertaken under the agreed EAP, the Bank (through the Country Director) will notify the GoB that the CERC for the specific eligible expenditure is closed, and that no further withdrawals will be permitted for purposes of the specific emergency).

⁶ Or in the absence of sufficient project funds, through a Bank-executed TF.


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Appendix 2: Contingency Emergency Response Implementation Plan (CERIP) - Template

1. Description of Emergency

Brief description of the emergency, type of event, approximate damage according to the information available to date: number of people / families affected and evacuated (number of men, women, children, seniors, families, etc.) damage to access the area, impact on basic services and infrastructure, etc.

2. Geographic data of affected area

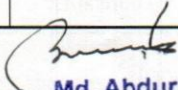
Brief description of the affected municipalities and geographic characteristics of the affected area, location and demographics.

3. Description of needs and priorities

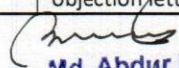
Brief list of priority activities to be undertaken for address the emergency. The following table presents an example of emergency activities to be carried out, including information of areas of intervention, details of the activities, responsible institution with administrative support, total cost and the total funding requested through IRM.

Table: Planned Emergency Activities

Areas of Intervention	Activities to be Implemented	Responsible	Support Institution	Total Cost (US\$)	World Bank Funding
People					
Health	Provision of medicine and medical equipment	PMU			
Nutrition	Provision of food to people at risk of mal nutrition (particularly children, elderly, pregnant women).	PMU			
Shelter	Temporary shelter	PMU			
Infrastructure					
Access and Transport	Debris removal, road cleaning	PMU			
	Provisional bridge repair	PMU			
	Fuel* and Transportation Services	PMU			
Housing	Rehabilitation of housing	PMU			
Public Services	Restoring communications	PMU			
	Restoring power supply	PMU			
	Restoring water and sanitation systems	PMU			

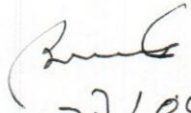

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Rehabilitation of housing	Construction materials (provide detailed list)	PMU	XXX units		Nat. Competitive Bidding	Bidding documents, Non-objection letter
Restoring water and sanitation systems	Pumps	PMU	XXX units		Direct Contracting	Tech. Specif., Non-objection letter
	Pipes	PMU	XX meters		Direct Contracting	Tech. Specif., Non-objection letter
Restoring drinking water systems	Filters	PMU	XX units		Direct Contracting	Tech. Specif., Non-objection letter
	Water purification tablets	PMU	XX units		Direct Contracting	Tech. Specif., Non-objection letter
Economy						
Restoring agriculture infrastructure	Construction materials (provide detailed list)	PMU	XXX units		Shopping	Tech. Specif., Non-objection letter
	Provision of equipment (list)	PMU	XXX units		Shopping	Tech. Specif., Non-objection letter
Support to restoring livelihood	Construction materials (provide detailed list)	PMU	XXX units		Shopping	Tech. Specif., Non-objection letter
	Provision of equipment (list)	PMU	XXX units		Shopping	Tech. Specif., Non-objection letter
	Provision of equipment (list)	PMU	XXX units		Shopping	Tech. Specif., Non-objection letter
Environment						
Mitigation works	Construction materials (provide detailed list)	PMU	XXX units		Direct Contracting	Tech. Specif., Non-objection letter
	Provision of equipment (list)	PMU	XXX units		Direct Contracting	Tech. Specif., Non-objection letter
Watershed management	Construction materials (provide detailed list)	PMU	XXX units		Direct Contracting	Tech. Specif., Non-objection letter
	Provision of equipment (list)	PMU	XXX units		Direct Contracting	Tech. Specif., Non-objection letter
Flood protection plan	Construction materials (provide detailed list)	PMU	XXX units		Direct Contracting	Tech. Specif., Non-objection letter
	Provision of equipment (list)	PMU	XXX units		Direct Contracting	Tech. Specif., Non-objection letter
B. Procurement of Services						
Debris removal, road cleaning	Assessment and debris removal plan	PMU	Report / Plan		Sel. on Single Source	Tech. Specif., Non-objection letter
Provisional bridge repair	Assessment and debris removal plan	PMU	Report / Plan		Sel. on Single Source	Tech. Specif., Non-objection letter
Transportation Services	Rental of vehicles 4x4	PMU	XX days		Sel. on Quality and Cost	Bidding documents, Non-objection letter
	Service	PMU	X driver		Sel. on Quality and Cost	Bidding documents, Non-objection letter
	Rental of vehicles Truck	PMU	X days		Sel. on Quality and Cost	Bidding documents, Non-objection letter
	Service	PMU	X driver		Sel. on Quality and Cost	Bidding documents, Non-objection letter


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Restoration of civil service	Building repairs to restore public services in the affected area	PMU	Contract		Nat. Competitive Bidding	Bidding documents, Non-objection letter
Environment						
Mitigation works	Emergency related works	PMU	Contract		Nat. Competitive Bidding	Bidding documents, Non-objection letter
Watershed management	Watershed management related works	PMU	Contract		Int. Competitive Bidding	Bidding documents, Non-objection letter
Flood protection plan	Flood protection emergency related works	PMU	Contract		Int. Competitive Bidding	Bidding documents, Non-objection letter
D. Emergency Operating Expenses						
Expenses incurred by the Gov. in the early recovery effort	Detail Activity 1	PMU	Contract		Force Account	Non-objection letter
	Detail Activity 2	PMU	Contract		Direct Contract.	Non-objection letter
	Detail Activity 3	PMU	Contract		Force Account	Non-objection letter
	Detail Activity 4	PMU	Contract		Direct Contract.	Non-objection letter
Grand Total						

*Would require special approval from Bank since these are not be financed as per Bangladesh's Country Financing Parameters.


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