



Government of the People's Republic of Bangladesh

Annual Performance Agreement (APA)

Between

The Cabinet Secretary
and

The Secretary, Economic Relations Division

2014-2015

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Preamble

The Annual Performance Agreement is made and entered into on *23 February 2015*

BETWEEN

The Secretary, Economic Relations Division, representing the Minister, Ministry of Finance, Government of the People's Republic of Bangladesh.

AND

The Cabinet Secretary, Cabinet Division, representing the Prime Minister, Government of the People's Republic of Bangladesh.

The parties hereto agree as follows:

Section 1: Ministry's/Division's Vision, Mission, Strategic Objectives and Functions

1.1 Vision

Economically self-reliant country

1.2 Mission

Supporting national development strategy through managing external resources and strengthening cooperation with development partners.

1.3 Functions

- 1 Scrutinizing proposal of external funding for development programs/ projects
- 2 Searching and negotiating food aid, budget support, climate fund and project/programs aid
- 3 Signing and effecting agreement for mobilizing external aid from bilateral and multilateral countries/agencies
- 4 Allocating aid to projects included in the Annual Development Program (ADP) following Five Year Plan
- 5 Reviewing, examining and coordinating utilization of external resources
- 6 Managing external debt including debt profiling, analyzing, budgeting, debt servicing and maintenance of accounts
- 7 Coordinating with different head quarters of international development agencies and Economic Missions abroad
- 8 Facilitating economic cooperation and contract and resolving issues related to economic affairs through arranging meeting of Joint Commission/ Joint Economic Commission/ Joint Economic Committee
- 9 Formulating policies and strategies related to external aid and debt
- 10 Ensuring global partnership for effective development cooperation
- 11 Exploring Green Climate Fund for financing climate resilient activities

1.4 Strategic Objectives

- 1 Mobilizing external resources to support development plans/programs
- 2 Maintaining external debt sustainability to ensure macro-economic stability
- 3 Strengthening economic relations with development partners to facilitate accelerated and sustainable socio-economic development
- 4 Ensuring development effectiveness of economic cooperation

Section 1:
Ministry's/Division's Vision, Mission, Strategic Objectives and Functions

5 Developing Human Resources

Section 2: Strategic Objectives, Activities, Performance Indicators and Targets

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
Ministry/Division Strategic Objectives										
[1] Mobilizing external resources to support development plans/programs	50.00	[1.1] Examining financing proposals	[1.1.1] Pre-appraisal / Appraisal Mission/ Fact Finding Mission completed	Number	2.50	120	100	95	90	85
			[1.1.2] Received initial confirmation of financing projects/programs by DPs	Number	5.00	80	78	76	74	72
			[1.1.3] Accredited local and foreign agencies for GCF	Number	2.50	3	2	1	0	0
		[1.2] Negotiation with development partners	[1.2.1] Draft financing agreement scrutinized and Finalized.	Number	2.50	80	78	76	74	72
			[1.2.2] Negotiation with DP completed	Number	5.00	80	78	76	74	72
		[1.3] Signing of agreement	[1.3.1] Financing agreement approved by the government	Number	2.50	80	78	76	74	72
			[1.3.2] Commitment Achieved in Million US\$	Amount (million USD)	10.00	6000	5900	5850	5800	5750
		[1.4] Utilization of Aid	[1.4.1] Agreement made effective	Number	2.50	50	48	45	42	40
			[1.4.2] Project Aid for ADP/RADP allocated in crore	Amount (in Crore)	2.50	25000	24500	24200	24100	24000

Section 2: Strategic Objectives, Activities, Performance Indicators and Targets

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
			taka	tk.)						
		[1.4.3] Foreign aid disbursed in million US\$	Ammount (in million USD)		10.00	3300	3250	3200	3150	3100
		[1.5] Reviewing utilization of foreign aid	[1.5.1] Slow moving Projects identified	Date	2.50	28/02/2015	15/03/2015	31/03/2015	15/04/2015	30/04/2015
			[1.5.2] Slow moving projects reviewed and solved bottlenecks through tripartite meeting.	Number	2.50	50	45	40	38	36
[2] Maintaining external debt sustainability to ensure macro-economic stability	10.00	[2.1] Managing DMFAS	[2.1.1] Debt data recorded	Number	5.00	9000	8800	8600	8500	8400
		[2.2] External debt Servicing	[2.2.1] Principal and interest of external loans paid in million US\$	amount million US\$	3.00	1210	1300	1350	1400	1450
		[2.3] Debt data analysis	[2.3.1] Loan related information reported to IMF, World Bank, Credit rating agencies	Number	2.00	8	7	6	5	4
[3] Strengthening economic relations with development partners to facilitate accelerated and sustainable socio-economic development	10.00	[3.1] Initiatives for joint economic Cooperation	[3.1.1] Joint Economic Commission Meeting held	number	4.00	3	2	1	0	0
			[3.1.2] Meeting with DP's Head Quarter	number	3.00	5	4	3	2	1

Section 2: Strategic Objectives, Activities, Performance Indicators and Targets

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
		[3.2] Arranging international conference/ Meeting	[3.2.1] Bangladesh Development Forum /International conference/workshops arranged	Number	3.00	2	1	0	0	0
[4] Ensuring development effectiveness of economic cooperation	10.00	[4.1] Strengthening platform of consultation with DPs	[4.1.1] Local Consultative Group meeting held	number	3.00	4	3	2	1	0
		[4.2] Aid effectiveness performance analysis	[4.2.1] Survey completed on aid effectiveness	Number of Survey	2.00	2	1	0	0	0
		[4.3] Establishment of information sharing platform with DPs	[4.3.1] DP Participated in sharing information into Aid Information Management System (AIMS)	Number of DP Participated	5.00	12	11	10	9	8
[5] Developing Human Resources	5.00	[5.1] Publication	[5.1.1] 'Flow of External Resources into Bangladesh published.	Date	1.25	30/04/2015	15/05/2015	30/05/2015	15/06/2015	30/06/2015
			[5.1.2] Annual Report of ERD published	Date	0.75	30/04/2015	15/05/2015	30/05/2015	15/06/2015	30/06/2015
		[5.2] Arranging Training	[5.2.1] Training per person completed	Hour	1.00	50	45	40	38	35
		[5.3] Knowledge sharing	[5.3.1] Seminar/workshop arranged	Number	1.00	24	22	20	18	16
		[5.4] Implementation of ERD's Development project	[5.4.1] Allocated fund utilized.	% of Allocation	1.00	86	85	84	82	80

Section 2: Strategic Objectives, Activities, Performance Indicators and Targets

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%

Mandatory Strategic Objectives

* Improve Service delivery to the Public	6.00	Implementation of Citizens' Charter (CC)	Preparation and approval of CC by the Ministry/Division	Date	1.0	31/12/2014	31/01/2015	28/02/2015	31/03/2015	30/04/2015
			Publication of CC in website or others means	Date	1.0	31/12/2014	31/01/2015	28/02/2015	31/03/2015	30/04/2015
		Implementation of Grievance Redress System (GRS) system	Publishing names and contact details of GRS focal point in the website	Date	1.0	31/12/2014	31/01/2015	28/02/2015	31/03/2015	30/04/2015
			Sending GRS report(s) to the Cabinet Division from January 2015	Number of report(s)	1.0	5	4	3	2	1
		Implementing Innovations	Implemented decisions of the innovation team	%	1.0	100	80	50	30	--
			Unicode used in all official activities	Date	1.0	31/12/2014	31/01/2015	28/02/2015	31/03/2015	30/04/2015
* Improve governance	4.00	Compliance with RTI Act and proactive disclosure	Percentage of information, mentioned in the RTI Act and related regulations, disclosed in the website	%	2.0	80	70	60	50	40
		Preparation and Implementation of the National Integrity Strategy Work Plan	Preparation of NIS Work Plan for 2015 and get approved by the Ethics Committee	Date	2.0	28/02/2015	31/03/2015	30/04/2015	31/05/2015	30/06/2015
* Improve Financial Management	3.00	Improve compliance with the Terms of Reference of the Budget Management Committee (BMC)	Budget Implementation Plan (BIP) prepared and Quarterly Budget Implementation Report	Number of report	1.0	5	4	3	2	1

* Mandatory Objective(s)

Section 2: Strategic Objectives, Activities, Performance Indicators and Targets

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%

Mandatory Strategic Objectives

			(QIMR) submitted to Finance Division (FD) meeting FD requirements							
			Actual achievements against performance targets are monitored by the BMC on a quarterly basis	Number of BMC meetings	1.0	4	3	2	1	--
		Improve audit performance	Percentage of outstanding audit objections disposed off during the year	%	1.0	70	55	40	30	20
* Efficient Functioning of the Annual Performance Agreement (APA) System	2.00	Timely submission of Draft APA for 2014-2015	On-time submission	Date	2.0	01/02/2015	02/02/2015	03/02/2015	04/02/2015	05/02/2015

* Mandatory Objective(s)

Section 3: Trend Values of the Performance Indicators

Strategic Objectives	Activities	Performance Indicators	Unit	Actual Value for FY 12-13	Actual Value for FY 13-14	Target Value for FY 14-15	Projected Value for FY 15-16	Projected Value for FY 16-17
Ministry/Division Strategic Objectives								
[1] Mobilizing external resources to support development plans/programs	[1.1] Examining financing proposals	[1.1.1] Pre-appraisal / Appraisal Mission/ Fact Finding Mission completed	Number	85	87	120	120	120
		[1.1.2] Received initial confirmation of financing projects/programs by DPs	Number	78	80	80	80	80
		[1.1.3] Accredited local and foreign agencies for GCF	Number	--	0	2	5	5
	[1.2] Negotiation with development partners	[1.2.1] Draft financing agreement scrutinized and Finalized.	Number	75	78	80	80	80
		[1.2.2] Negotiation with DP completed	Number	85	80	80	80	80
	[1.3] Signing of agreement	[1.3.1] Financing agreement approved by the government	Number	85	80	80	80	80
		[1.3.2] Commitment Achieved in Million US\$	Ammount (million USD)	5854	5844	6000	6000	6000
	[1.4] Utilization of Aid	[1.4.1] Agreement made effective	Number	40	45	50	50	50
		[1.4.2] Project Aid for ADP/RADP allocated	Ammount (in Crore	18500	21200	24900	32000	35000

Section 3: Trend Values of the Performance Indicators

Strategic Objectives	Activities	Performance Indicators	Unit	Actual Value for FY 12-13	Actual Value for FY 13-14	Target Value for FY 14-15	Projected Value for FY 15-16	Projected Value for FY 16-17
		in crore taka	tk.)					
		[1.4.3] Foreign aid disbursed in million US\$	Ammount (in million USD)	2811	3084	3300	3825	4000
	[1.5] Reviewing utilization of foreign aid	[1.5.1] Slow moving Projects identified	Date	28/02/2013	28/02/2014	15/03/2015	28/02/2016	28/02/2015
		[1.5.2] Slow moving projects reviewed and solved bottlenecks through tripartite meeting.	Number	36	38	40	50	50
[2] Maintaining external debt sustainability to ensure macro-economic stability	[2.1] Managing DMFAS	[2.1.1] Debt data recorded	Number	8500	9000	9000	9100	9100
	[2.2] External debt Servicing	[2.2.1] Principal and interest of external loans paid in million US\$	amount million US\$	1105	1295	1210	1200	1250
	[2.3] Debt data analysis	[2.3.1] Loan related information reported to IMF, World Bank, Credit rating agencies	Number	8	7	8	8	8
[3] Strengthening economic relations with development partners to facilitate accelerated and sustainable socio-economic development	[3.1] Initiatives for joint economic Cooperation	[3.1.1] Joint Economic Commission Meeting held	number	3	4	3	2	1
		[3.1.2] Meeting with DP's Head Quarter	number	4	4	5	5	5
	[3.2] Arranging international conference/ Meeting	[3.2.1] Bangladesh Development Forum	Number	0	0	2	1	1

Section 3: Trend Values of the Performance Indicators

Strategic Objectives	Activities	Performance Indicators	Unit	Actual Value for FY 12-13	Actual Value for FY 13-14	Target Value for FY 14-15	Projected Value for FY 15-16	Projected Value for FY 16-17
		/International conference/workshops arranged						
[4] Ensuring development effectiveness of economic cooperation	[4.1] Strengthening platform of consultation with DPs	[4.1.1] Local Consultative Group meeting held	number	2	2	4	4	4
	[4.2] Aid effectiveness performance analysis	[4.2.1] Survey completed on aid effectiveness	Number of Survey	0	1	2	2	2
	[4.3] Establishment of information sharing platform with DPs	[4.3.1] DP Participated in sharing information into Aid Information Management System (AIMS)	Number of DP Participated	0	00	12	14	18
[5] Developing Human Resources	[5.1] Publication	[5.1.1] 'Flow of External Resources into Bangladesh published.	Date	30/04/2015	30/04/2015	30/04/2015	30/04/2015	30/04/2015
		[5.1.2] Annual Report of ERD published	Date	30/04/2015	30/04/2015	30/04/2015	30/04/2015	30/04/2015
	[5.2] Arranging Training	[5.2.1] Training per person completed	Hour	40	42	45	45	40
	[5.3] Knowledge sharing	[5.3.1] Seminar/workshop arranged	Number	16	20	24	24	24
	[5.4] Implementation of ERD's Development project	[5.4.1] Allocated fund utilized.	% of Allocation	80	85	85	90	90

Section 4:

Description of Performance Indicators, Implementing Department/Agencies and Measurement Methodology

Sl.No	Performance Indicators	Description	Implementing Department/Agencies	Measurement and Source of Data	General Comments
1	[1.1.1] Pre-appraisal / Appraisal Mission/ Fact Finding Mission completed	These missions are sent by DP at different times to collect relevant information of the proposed program/project for feasibility study, cost estimation, and to finalize implementation and procurement procedure. At every stage meetings are to be held with DPs to finalize the investment proposals. Meeting minutes, record of discussions etc are the source of data.	ERD & Line Ministries/Division	Minutes of the meetings, Letter	
2	[1.1.2] Received initial confirmation of financing projects/programs by DPs	With the request/consent of executing Ministry/Division and after having discussion with DPs, ERD request DPs to confirm the financing programs/projects.	ERD & Line Ministries/Division	Minutes of the meetings and Letters	
3	[1.1.3] Accredited local and foreign agencies for GCF	The fund is created under United Nation Framework Convention on Climate Change (UNFCCC) to provide financial support to the countries which are under severe risk due to climate change. Secretary, ERD Has been nominated as National Designated Authority (NDA) for Bangladesh. NDA will accredit National Implementing Entity (local and foreign) for channeling funds from GCF.	ERD	NOC issued by ERD	

Section 4:

Description of Performance Indicators, Implementing Department/Agencies and Measurement Methodology

Sl.No	Performance Indicators	Description	Implementing Department/Agencies	Measurement and Source of Data	General Comments
4	[1.2.1] Draft financing agreement scrutinized and Finalized.	Examining draft proposals, taking comments from relevant Ministries/Divisions/Agencies and arranging meeting to finalize the draft financing agreement.	ERD	Minutes, letter	
5	[1.2.2] Negotiation with DP completed	Negotiation meeting is held among ERD, DP, Implementing Ministry/Division and representative from other related ministries.	ERD	Minutes of the Meetings and Letters	
6	[1.3.1] Financing agreement approved by the government	After finalizing the financing proposal, it is to be vetted by the Legislative and Parliamentary Division and then final approval is given by the Honorable Prime Minister or Finance Minister depending on the amount of the financing proposal.	ERD	Summary and vetting Note	
7	[1.3.2] Commitment Achieved in Million US\$	Signing of financing document between GOB and DP regarding loans and grants	ERD	Agreements	
8	[1.4.1] Agreement made effective	When some conditions mentioned in agreement are complied within a given period, the agreement would be effective.	ERD and project implementing ministry	Letter	

Section 4:

Description of Performance Indicators, Implementing Department/Agencies and Measurement Methodology

Sl.No	Performance Indicators	Description	Implementing Department/Agencies	Measurement and Source of Data	General Comments
9	[1.4.2] Project Aid for ADP/RADP allocated in crore taka	Meeting with all implementing Ministries/Divisions, discussing and examining the need and then allocate project aid to projects included in ADP/RADP.	ERD and project implementing Ministries/Divisions	Allocation Report, ADP/RADP Book	
10	[1.4.3] Foreign aid disbursed in million US\$	The actual amount of assistance is transferred or credited from the committed amount to the project/program by the DP.	ERD & Line Ministries/Division	Disbursement report of DPs and Project office	
11	[1.5.1] Slow moving Projects identified	When the project implementation is lag behind in the context of cost or time frame mentioned in DPP/TPP.	ERD	ADP/RADP	
12	[1.5.2] Slow moving projects reviewed and solved bottlenecks through tripartite meeting.	Meeting held quarterly among ERD, DP and implementing ministries/divisions to review progress of the project.	ERD, DP and project implementing Ministry	Minutes of the meetings	
13	[2.1.1] Debt data recorded	Debt means actual disbursement of loan minus loan already paid at a given date.	ERD	DMFAS	

Section 4:

Description of Performance Indicators, Implementing Department/Agencies and Measurement Methodology

Sl.No	Performance Indicators	Description	Implementing Department/Agencies	Measurement and Source of Data	General Comments
14	[2.2.1] Principal and interest of external loans paid in million US\$	The repayment of debt and payment of interest including service charge, management fee, commitment charge etc.	ERD	DMFAS and Bangladesh Bank Advice	
15	[2.3.1] Loan related information reported to IMF, World Bank, Credit rating agencies	Reports are prepared and sent to IMF, World Bank, Credit Rating Agencies on debt portfolio.	ERD	Reports	
16	[3.1.1] Joint Economic Commission Meeting held	A meeting between GOB and particular DP to agree on mutual economic and commercial benefit.	ERD	Minutes of the meetings, letters	
17	[3.1.2] Meeting with DP's Head Quarter	Visit DP's headquarters and discuss existing and future financing plan for projects and programs	ERD	GO, Minutes, Letters	
18	[3.2.1] Bangladesh Development Forum /International conference/workshops arranged	It is a platform where Bangladesh government exchanges views on financial requirement depending on the five year plan/ perspective plan.	ERD	Minutes of the meetings	

Section 4:

Description of Performance Indicators, Implementing Department/Agencies and Measurement Methodology

Sl.No	Performance Indicators	Description	Implementing Department/Agencies	Measurement and Source of Data	General Comments
19	[4.1.1] Local Consultative Group meeting held	A platform of country offices of eighteen DPs and ERD to monitor implementation of plan under various thematic areas of economic sectors.	ERD	Minutes of the meetings	
20	[4.2.1] Survey completed on aid effectiveness	Analyze five principles of Paris declaration for aid effectiveness such as alignment, harmonization, country system etc.	ERD	Survey Report	
21	[4.3.1] DP Participated in sharing information into Aid Information Management System (AIMS)	A recording software where all DPs will keep information of foreign aid flows.	ERD and DP	AIMS Database	
22	[5.1.1] 'Flow of External Resources into Bangladesh published.	An annual flagship publication of ERD named "Flow of External Resources into Bangladesh". It contains time series data related to aid flows and debt.	ERD	BOOK	
23	[5.1.2] Annual Report of ERD published	A yearly publication named "Annual Report of ERD" where ERD's Vision, mission, functions, activities and annual achievement are presented.	ERD	Book	

Section 4:

Description of Performance Indicators, Implementing Department/Agencies and Measurement Methodology

Sl.No	Performance Indicators	Description	Implementing Department/Agencies	Measurement and Source of Data	General Comments
24	[5.2.1] Training per person completed	Training is arranged to improve capacity and skill of ERD officials	ERD	Order, GO	
25	[5.3.1] Seminar/workshop arranged	Seminar/Workshops are arranged to improve the knowledge and competency of ERD officials by sharing experience, information.	ERD	Office Order	
26	[5.4.1] Allocated fund utilized.	Actual expenditure of project aid allocated in ADP/RADP.	Projects implementing Ministries.	Projects report	

Section 5 :
Specific Performance Requirements from other Ministries/Divisions

Organisation Type	Organisation Name	Relevant Performance Indicator	What is your requirement from this organisation	Justification for this requirement	Requirement from this Organisation	What happens if your requirement is not met
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Section 6: Outcome of Ministry/Division


Outcome/Impact	Jointly responsible for influencing this outcome / impact with the following organisation (s) / division (s) / ministry(ies)	Performance Indicator (s)	Unit	Actual FY 12-13	Actual FY 13-14	Target FY 14-15	Projection FY 15-16	Projection FY 16-17
1 Foreign Aid Mobilized	All Project Implementing Ministries/ Division and Planning Commission	Commitment to GDP	Ratio	3.89	3.36	3.24	3.14	2.5
		Disbursement to GDP	Ratio	1.87	1.77	1.77	1.65	1.55
		Allocation of PA to ADP/RADP Size	Ratio	37	37	33	33	33
		Disbursement to Pipeline Aid	Ratio	18.21	18.59	18.69	18.90	19
2 External Debt Sustainability Achieved	Finance Ministry, Commerce Ministry, Commerce Ministry, NBR and other Revenue generating ministries/division	Debt to GDP	RAtio	14.92	14.04	14	13.95	13.90
		Debt to XGS	Ratio	50.7	51.9	53.7	53	53.5
		Debt Service to XGS	Ratio	2.5	2.75	2.5	2.5	2.4
		Debt Service to Revenue	Ratio	6.8	7.1	7.1	7.0	7.0

Whereas,

I, the Secretary, Economic Relations Division representing the Minister, Ministry of Finance , Government of the People's Republic of Bangladesh commit to the Cabinet Secretary, Cabinet Division, representing the Prime Minister, Government of the People's Republic of Bangladesh to deliver the results described in this agreement.

I, the Cabinet Secretary, Cabinet Division, on behalf of the Prime Minister, Government of the People's Republic of Bangladesh, commit to the Secretary, Economic Relations Division to provide necessary support for delivery of the results described in this agreement.

Signed,



Senior Secretary
Economic Relations Division

23/2/2015

Date



Cabinet Secretary
Cabinet Division

23/02/2015

Date

Annex-1

Acronyms

Sl.	Acronym	Description
1	ADP/RADP	Annual Development Program/Revised Annual Development Program
2	AIMS	Aid Information Management System
3	BDF	Bangladesh Development Forum.
4	DMFAS	Debt Management and Financial System
5	DP	Development Partner
6	FM	Honorable Finance Minister
7	GCF	Green Climate Fund.
8	GDP	Gross Domestic Product
9	IMF	International Monetary Fund

10	PM	Honorable Prime Minister
Annual Performance Agreement (APA) for Economic Relations Division -(2014-2015)		
11	XGS	Export of Goods and Services