



**GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH**

# **Grant Operation Manual**

**For**

**Sustainable Coastal and Marine Fisheries Project (SCMFP)**

**Department of Fisheries**  
Ministry of Fisheries and Livestock

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**June 2021**

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## ABBREVIATIONS AND ACRONYMS

APD	Assistant Project Director, BSCMFP
BFMGF	Bangladesh Fisheries Matching Grant Facility
BSMCFP	Bangladesh Sustainable Marine and Coastal Fisheries Project
DD	Divisional Deputy Director
DFO	District Fisheries Officer
DG	Director General
DOF	Department of Fisheries
DPD	Deputy Project Director
DPP	Development Project Proposal
EOI	Expression of Interest
EMF	Environmental Management Framework
ESMF	Environment and Social Management Framework
FA	Financial Agreement
GIC	Grant Investment Committee
GOB	Government of Bangladesh
IGM	International Grant Manager
GMA	Grant Management Authority
GMT	Grant Management Team
M&E	Monitoring and Evaluation
NGO	Non-Government Organisation
PAD	Project Appraisal Document
PDO	Project Development Goal
PMP	Pest Management Plan
PMU	Project Management Unit
RFP	Request for Proposals
RO	Regional Office of BSCMFP
RPF	Resettlement Policy Framework
SECC	Social and Environmental Communication Committee
SECDF	Small Ethnic Community Development Framework
SPF	Specific Pathogen Free
SPF-PL	SPF Post Larvae
SUFO	Senior Upazilla (Sub-district) Fisheries Office
UFO	Upazilla (Sub-district) Fisheries Officer

## I. INTRODUCTION

The Bangladesh Fisheries Matching Grant Facility is part of the Bangladesh Sustainable Coastal and Marine Fisheries Project (BSCMFP), thereafter, to be called BFMGF. The BSCMFP is implemented by the Ministry of Fisheries and Livestock and financed by a World Bank (**CREDIT NO. 6326-BD**) with the objective of improving the management of coastal and marine fisheries and sustainability of production and livelihoods activities in the coastal belt of Bangladesh. The goal of the project is to increase coastal and marine fisheries' contribution to the economy, poverty reduction, and environmental stability. BSCMFP focuses on the establishment of effective fisheries governance and management systems for sustainable utilisation of Bangladesh's coastal and marine fishery resources, as a critical pre-condition for pro-poor economic growth. BSCMFP has four components:

1. Enabling Sustainable Fisheries Sector Investments and Growth;
2. Improving Infrastructure and Production Practices;
3. Community Empowerment and Livelihoods; and
4. Project Management.

The total budget of the project is **US\$ 221 million** and BSCMFP will be implemented over July'2018-June2023. The project aims to support the Government of Bangladesh (GOB) in designing, establishing, and effectively operating fisheries management systems for sustainable utilisation of coastal and marine fishery resources. Project financing will be provided for fisheries governance and management systems, infrastructure, and other value-chain investments aimed at improving the sector's resource base and increasing its productivity. The project will focus on improving fisheries policies, regulations, and management capacity to enable stock recovery and enhance the business enabling environment to encourage responsible private sector investments in the sector. To encourage private investment into the sector, BSCMFP aims to expand market access, reduce losses, and thus, increase catch value by addressing the gaps in public infrastructure in conjunction with improved post-harvest practices, marketing, more effective on-farm management practices and sustainable improvement in coastal aquaculture.

## II. THE BSCMFP COMPETITIVE MATCHING GRANTS FACILITY

BSCMFP Component 2 provides for the establishment of a matching grant facility to catalyze farmer and private sector initiatives to remove existing inefficiencies in the seafood industry .It is designed to help overcome the market failure and support industry expansion with increased on-farm productivity and downstream value preservation and value addition. Farmers/small and medium scale investors at all stages in the seafood value chain are seeking to invest in new technologies and adopt best practices in order to improve their efficiency and competitiveness. On the other hand, BSCMFP beneficiaries along the seafood value chain, especially small-scale producers, traders and processors, lack the credibility and collateral for accessing formal credit to finance their business plans even when provided at government preferential rates, often resulting in borrowing from informal sources on unfavorable terms. This credit market failure effectively prevents target beneficiaries in the aquaculture industry obtaining the necessary levels of finance they need to expand their business operations, which hinders increased value addition and wealth creation in Bangladesh.

In addition, small and medium scale investors at all stages in the coastal aquaculture and seafood value chain are in a particular disadvantage to stay competitive in the world market while at the same time meeting the public good requirements such as environmental sustainability and bio-security. The ability of coastal shrimp and fish farmers and value chain entrepreneurs and investors to adopt best practices and obtain and/or provide best services are constrained by lack of technology, know-how and affordable finance. If properly operated, Bangladesh Fisheries Matching Grant Facility (BFMGF) can help increase the

number of people productively engaged in the seafood industry and raise incomes as the industry becomes more competitive in local and international markets. By promoting transformation, innovation, learning, and partnerships through a combination of competitive and matching grants a reversal of market failures in several areas of the coastal aquaculture and seafood value chain, with their benefits exceeding their costs, can be achieved through BFMGF.

BFMGF will finance research commercialization, and increasingly promote near-market technology generation, technology transfer and adoption, private economic activity, and overall innovation, by including multiple stakeholders through various grant windows. Funds from BFMGF will be matched with funds from the beneficiary research organizations, start-up firms, agribusinesses, and farmer groups to accelerate and fast-track: (i) applied technology development, transfer, and adoption (particularly through cooperation among research providers and the private sector); (ii) overall coastal aquaculture development (particularly through productive partnerships and technical assistance and services); and (iii) productive activities of farmer groups, value-added activities, and small-scale infrastructure, associated with the community-driven development approach of the BSCMFP. However, these will not replace stable funding for long-term research, private sector development, human resource development, and/or infrastructure maintenance and development through both public and private investment. Instead, it will entice entrepreneurs, technology companies and financial institutions to invest in the coastal and marine fisheries and aquaculture based blue economy development in Bangladesh. In sum, BFMGF will help overcome market failures and environmental constraints, and support industry expansion with increased on-farm productivity and downstream value preservation and addition in the seafood industry of Bangladesh.

BFMGF will primarily support component 2 - improving infrastructure and production practices objectives of BSCMFP: Subcomponent 2.1: infrastructure improvements - inputs and infrastructure for increased productivity, targeting up to 600 clusters of fish farmers graduating from extensive to improved extensive and further improving to globally accepted good aquaculture practice, based on sound business plans; and Sub-component 2.3: boosting coastal aquaculture productivity - basic infrastructure, equipment, materials and increased technical capacity to promote integrated value chain development and compliance with standards. The scope of support includes:

- applied mariculture (technology innovation, market studies, and production piloting) and aquaculture research (piloting commercial opportunities such as mud crab and finfish hatcheries, freshwater shrimp, and others as viable);
- measures for improving genetic quality, biosecurity, and disease control in farmed shrimp [specific pathogen free (SPF) hatcheries], which will provide disease-free seed for on-farm productivity improvements; and
- eligible private sector investors wishing to upgrade existing enterprises, promote innovative methodologies, and/or new initiatives along seafood value chains.

BFMGF provides grants to eligible applicants to establish or expand their businesses at varying ratios of financial support, up to maximum investment ceilings for each window. Access to BFMGF grants will improve the creditworthiness of applicants trying to approach formal credit for their operations from official financial institutions. BFMGF management entity will actively seek out, educate (on risk management and the financial viability of seafood value chain investments) and work to establish novel public-private financing mechanisms that can further stimulate local investment.

BFMGF uses a competitive and transparent selection mechanism in the grant-awarding process. Through this mechanism, entrepreneurs and organisations are incentivized into making Applications as strong and innovative as possible to maximise their chances of receiving support.

Applications that are deemed to have met the eligibility criteria and possess a viable business proposal are awarded funding. Several types of grants targeting specific stakeholders with applicable eligibility and selection criteria, and levels of financial support will be made available within the competitive matching grant facility under the BSCMFP to promote new investment and support modernizations within the Bangladesh seafood industry. Overall, the BFGMF will provide grants through three Windows covering research, innovation, start-up businesses, value chain financing and farm level productivity improvement as summarized in Table 1, and detailed subsequently.

Table 1. Grant Windows, eligibility conditions and ratio co-finance under BFMGF/BSCMFP.

Windows	Key Conditions	Co-finance (%)		Scope eligibility** and	Comments
		BFMGM	Investor		
W1. Mariculture Sub-projects – mariculture applied/action research, technology innovation, production piloting, market studies, and commercialization	-Contemporary and high priority action/adaptive research; -Address identified efficiency gaps in value chains; -Direct relevance to blue economy growth and Project Development Objective3 (PDO3)	80	20*	Relevant research costs; relevant operational costs; contribution to capital works or upgrades for relevant infrastructure; Non-eligible -purchases, vehicles, recurrent costs, foreign exchange losses, loan interest costs	
W2. Aquaculture Sub-projects production and distribution of disease-free seed for addressing growth performance and disease burden attributable to wild brood stock (improving genetic quality, biosecurity, and disease proneness in shrimp hatcheries)	-Improving supply of specific pathogen free (SPF) seeds to farmers; ; Relevance to PDO3	60	40	Establishment costs including technical assistance, as necessary; excluding ponds excavation	
W3. Cluster Support Sub-projects - graduated clusters of shrimp farmers adopting BSCMFP endorsed good aquaculture practices (GAP); and providers of access to services, inputs, basic facilities for cluster farmers along production and distribution chain of shrimps, including Post-Harvest Service Centres (PHSC)	- Quality Business Plan including adoption of Best Practices; -PHSC support for cluster farmers - Quality assurance and e-traceability implementation; and -PDO3	76	24*	Equipment, installation, power, building materials, technical support, improved production inputs, farm road	

\* contributions can be in-kind, cash or a combination of both.

\*\* Farms built on encroached areas viz. river levees, accredited chars, planted or natural mangrove patches or in illegally occupying or having legal disputes will not be eligible for the support scheme.

\*\*\* as per approved DPP

The present Grant Manual is prepared to detail the scope of grant financing, eligibility criteria, eligible costs, grant project selection and evaluation process, reporting, and procurement methods, and M&E, among others.

## **2.1 TARGET GROUPS AND BENEFICIARIES**

BFMGF targets aquaculture producers comprising individuals, firms, groups and/or enterprises, including but not limited to providers of applied mariculture action research and commercialization of mariculture such as Research Institutions, Universities, and also private entrepreneurs, farmers, hatchery and nursery operators, transporters, technical service providers, equipment manufacturers and traders, seafood processors, seed distributors, input suppliers, feed producers, and ice plants and cold storage operators throughout the coastal aquaculture and mariculture value chain. Precise and immediate target groups and beneficiaries of the grant facility are: (i) the shrimp hatchery operators who will invest in BSCMFP endorsed disease-free SPF seed supply (part of Aquaculture Sub-projects); (ii) small-scale coastal shrimp producers who will adhere to BSCMFP organized cluster approach to shrimp farming, and intermediaries and service providers in the production and distribution chains of cultured shrimps (part of Cluster Support Sub-projects); and (iii) researchers who will receive support for applied research projects, either on-farm (demonstration or pilot operations) and/or on-station experiments as well as entrepreneurs or companies who receive support for innovations and start-ups along the coastal aquaculture and mariculture value chain, working in association with aquaculture producers (part of Mariculture Sub-projects).<sup>1</sup>A results framework for BFMGF is given in Attachment 1.

## **2.2 PURPOSE OF THE GRANT OPERATION MANUAL**

This BFMGF Grant operation Manual defines how the Grant Facility will operate, the eligibility criteria and other rules applying to the use of BFMGF resources for purposes of carrying out the Cluster Support Sub-project, Mariculture Sub-projects and Aquaculture Sub-projects under Parts 2.1(c), 2.3(a)(i) and 2.3(a)(ii) of the Project, respectively.<sup>2</sup> The manual is referenced within the financing agreement between the World Bank and the GOB, and therefore is a legal document. The approval of the Grant Manual by the World Bank and the Government of Bangladesh is a condition for disbursement of any grants or other resources under the Facility. The approved Grant Manual can only be amended, changed or revised with the written agreement of the World Bank.

BFMGF engages with individual firms, grower clusters, individual entrepreneurs and researchers. BFMGF supports investment in the key infrastructure, inputs, training, technical assistance that beneficiaries require to build their capacity to become more efficient and productive suppliers of higher quality produce, reduce wastage through improved post-harvest handling methodologies, and provide higher quality services to existing and potentially new commercial businesses in the sector.

Because funds are limited, matching grants will be competitive, selection being based on demonstrated human and operational capacity, likelihood of success, potential contribution to the development of the seafood sector and soundness of the business plan. In addition, green development, including enhancement of environmentally beneficial measures, local context, reducing impacts of damaging and harmful practices on coastal and marine ecosystem, additionality of the investment, inclusion of diverse groups of stakeholders, and an aptitude for partnership to foster innovation will be encouraged in the grant Application. Grant Applications

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<sup>1</sup> As per provision under Project Financing Agreement, dated October 25, 2018, and Amendment to the Financing Agreement, dated August 9, 2020.

<sup>2</sup> Ibid.



having significant or irreversible environmental and social impacts will not be eligible for funding. The manual provides rules to ensure that the benefits are equitably shared across stakeholders and works for the benefit of the seafood sector overall.

### **2.3 BFMGF WINDOWS**

#### **Window 1: Mariculture Sub-projects – Mariculture Applied/Action Research, Technology Innovation, Commercialization and Production Piloting**

The objective of support under this window is to reap the potential for mariculture based blue economy growth. It supports research (applied/action research), technology, innovation, market studies and piloting for commercial opportunities in hatcheries and grow-out operations, including cage culture, using ecologically and environmentally suitable species such as mud crab, mussels, finfish, crustaceans, seaweeds, and others as feasible. Overall, this window provides competitive research grants for (i) studies on contemporary high priority blue economy issues such as climate change, and establishment of aqua-economic zones; and (ii) adaptive and/or action research that addresses coastal and marine fisheries issues related to mariculture development and linked to Project Development Objective 3 (PDO3).

Public/private research and educational institutions can partner with aquaculture producers in the private sector for technology development for promoting mariculture interventions using competitive matching grants under this window. It promotes competition, encourages innovation, sponsors start-up enterprises, and supports demand-driven and market-oriented development of technology along mariculture value chain.

Private entrepreneurs and companies can apply for matching grants for innovations and start-up investment in areas of importance in mariculture value chain, identified to promote blue economy growth. Value chain action research, and commercial investment by private entrepreneurs are funded under this window, and selected on a competitive basis. Demonstrated human and operational capacity, likelihood of success, potential contribution to the development of the seafood sector and soundness of the business plan will be considered, among others, in selecting winners for matching grant. New entrants and start-up businesses that can address efficiency failures and concerns for value loss throughout the seafood value chain due to lack of quality inputs and services can apply for grants under this Window. Investors intending to fill gaps in quality and availability of (i) shrimp and crustacean feed and probiotics; (ii) cold chains and logistics; and (iii) product development and value addition processing investment, among others will be eligible to apply for matching grants from this window.

Matching grant Applicants must satisfy one or more of the following eligibility conditions:

- relevance to the BSCMFP geography and/or development area, and beneficiary groups (i.e., Bangladesh coastal zone fisheries and aquaculture producers)
- involving plurality/multiplicity of actors in the technology generation (fostering partnership);
- contributing to environmental sustainability and sustainable improvement (increasing output per unit of surface water, while minimizing the environmental footprint and adapting to climate variability and change);
- must include filled-up environment and social screening form (Attachment 2) and a simplified ESMP to describe how adverse environment and social impacts, if any, will be mitigated;
- contributing to blue economy growth (optimizing the use of coastal and marine space);
- creating opportunities for supplying international markets with seafood products (export-led growth);

- The beneficiary must complete the carrying out of the Sub-project before the Closing Date for the Project;
- The proponents are expected to provide co-financing from themselves or from partners in the form of either cash or in-kind contribution equivalent to at least certain percentage of the total contribution from the project; and
- Applications must explicitly link-up with relevant PDOs.

## **Window 2: Aquaculture Sub-Projects-Production and Distribution of Disease-Free Seeds for On-farm Productivity Improvements**

For a long time, production system modernization and production improvement in shrimp aquaculture in the coastal belt of Bangladesh has been constrained by the lack of availability of disease-free seeds. Currently, 8-11 billion post larvae (PL) are supplied by local hatcheries to about two hundred thousand farmers, but these are highly prone to disease. The wild-caught brood stocks from sea are the main source of shrimp seed production in hatcheries, however, wild-caught shrimp (brood stocks) are infected with white spot syndrome virus (WSSV). Moreover, the continuous exploitation of shrimp resources has brought about a scarcity of breeders, and several phenomena such as fishing ban during peak breeding cycle of wild stocks and monsoon weather disrupts its sustained availability. These multi-faceted problems with the shrimp seed supply are a great hindrance to productivity enhancement and investment in the modernization of shrimp aquaculture in Bangladesh. Hence, enhancement of shrimp hatcheries for specific pathogen-free (SPF) PL production are expected to help the growth of the shrimp aquaculture in Bangladesh.

Window 2 supports private sector efforts to improve genetic quality and biosecurity, and reduce disease proneness in shrimp hatcheries by shifting to SPF hatcheries. It aims to reduce, and gradually eliminate the dependence of the hatchery industry and grow-out operations in shrimp aquaculture on the wild supply of brood stock and PL. The ultimate objective of the matching grant under this window is to trigger a transformation in the hatchery industry toward the path of high performing SPF seed production and contribute to the improvement and productivity increase of the grow-out operations. Competitive and conditional matching grants are offered through this window to support the construction, equipment provision and operation of SPF hatcheries (up to 10 hatcheries), and/or SPF brood stock multiplication/rearing facilities (up to 3 facilities), and/or polychaete/artemia farms (up to 3 farms). The scope of support and conditions under this Window also extends to quality assurance of hatchery supplied seeds, and compliance with biosecurity and e-traceability requirements at the nursery and distribution value chains for SPF seeds. A standard biosecurity protocol should be considered in the budgeting by the grantees. Registered and/or licensed seed distributors and nursery operators as well as cluster farmers are expected to receive technical understanding on the handling and use of SPF PL as part of the efforts of the extension support through the matching grant financed sub-projects. The following eligibility and selection criteria will be applied to grant Applications under this Window:

- improving the availability and reducing the price of disease-free post larvae (PL) for grow-out farms (target beneficiaries under in the project area);
- reducing market incentives for illegal capture of wild PLs;
- supporting the cluster farmers with technical understanding and on use of the of SPF seed (PL);
- demonstrating the shift to a bio-secure hatchery technology by the hatchery sub-sector;
- contribution to transforming the coastal aquaculture into a globally competitive blue economy industry at par with global environmental, social and biosecurity standards.
- Application must include filled-up environment and social screening form [Attachment 3] and a simplified ESMP to describe how adverse environment and social impacts, if any, will be mitigated;
- if partnership is involved, roles and responsibilities of partner(s) should be explained; and

- Farms built on encroached areas viz. river levees, accredited chars, planted or natural mangrove patches or in illegally occupying or having legal disputes will not be eligible for the support scheme.

### **Window 3: Cluster Support Sub-projects- Shrimp farming productivity increase, quality assurance and post-harvest facilities**

This Window focuses on providing Sub-grants to aquaculture producers to carry out Cluster Support Sub-projects aimed at deploying extension agencies for mobilization of aquaculture producers, and developing and financing the producers' business/infrastructure plans that may include *inter alia*, production inputs equipment, works, services, post-harvest processing and improving access to basic utilities.<sup>3</sup> Sub-projects enable farm level productivity improvement by shrimp farmers and environmental sustainability in coastal aquaculture, and addresses post-harvest services requirements of shrimp and fish farmers (quality and safety) by improving the PHSCs, giving priorities to those PHSCs that support the need of the cluster farmers and comply with biosecurity and e-traceability protocols from farmgate to processing plants.

The objective of this window is to support all growers in the project organized clusters to invest in higher quality and physically and environmentally secure production systems suitable for growing SPF-PL, and improving their on-farm productivity with higher quality inputs. It will support quality and financially viable cluster/farm business plans for increasing productivity and reducing disease burden in shrimp farms. Up to 600 farm clusters (each cluster may consist of 25-30 growers) will be organized, and up to 200 of them are expected to be graduated through the BSCMFP project's cluster mobilization efforts. Graduated farm clusters and/or individual grower members will be eligible for applying for competitive matching grants during the project period based on progressive improvement of production plan and corresponding business plan. Post-harvest service centres, where harvested shrimps are assembled for distribution to buyers including sale to processors, play a critical role in the value chain of farmed shrimp. These PHSCs are expected to serve the project organized cluster farmers under BSCMFP in marketing, processing and value addition of their produce, and hence, form part of the biosecurity, e-traceability and certification system promoted by the BSCMFP. Selected PHSCs operated by aquaculture producers, clusters, and/or post-harvest intermediaries will be provided with competitive matching grants for improvement and upgradation with advanced facilities capable of providing value addition and/or value preservation services for harvested fish and shrimp products as well as e-traceability and biosecurity outcomes. Matching grants against a viable business plan prepared with the assistance of cluster mobilization team under the PMU may include: (i) repair and renovation of existing post-harvest service centers; (ii) provision of advanced facilities; (iii) construction of new collection centers; and (iv) provision of standard hygiene service block in fish markets, and collection Centers and/or auction Centers in selected fish markets, provided they serve the cluster farmers. Applications or Sub-projects that leverage commercial credit financing will have advantage in accessing matching grants under W3.

Across all grant windows, Applications that demonstrate measurable contribution to social development, such as effective gender mainstreaming, employment of ethnic communities and disabled people, proactive measures to develop research capacity and skills among youth and women, and entrepreneurship development; and environmental sustainability such as green growth (e.g., coastal green belt, GHG emissions reductions, waste management and pollution control), and carbon sequestration will be given preferences. Provisions for these contributions can be reflected in the Grant Application budget.

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<sup>3</sup>Amendment to the Financing Agreement (Credit No. 6326-BD), Part 2, paragraph 1© of Schedule 1.

### **III. ORGANISATIONAL FRAMEWORK OF BFMGF**

The operation of the BFMGF will be guided by the BFMGF Operations Manual to be approved by the GoB and World Bank. The following sections highlights important aspects of the grant operation manual.

The BFMGF organizational framework envisages a distinctive and coordinated management and governance structure to ensure transparency and neutrality of the facility under the supervision and guidance of PD, PMU, who will be the responsible authority for overall BFMGF management. The facility will be adequately resourced with available managerial and technical staff, and support services within the PMU of the BSCMFP and DoF as well. Processing and Management of the grants under BFMGF will be led by an International Grant Manager (IGM). IGM will be supported by a dedicated team of officials, specialists and staff to plan, implement and monitor BFMGF financed activities, apply safeguard policies, (including ESMP and monitoring of environmental and social impacts), and report on the progress to the PD, PMU in close cooperation with relevant teams supporting the BSCMFP and PD, PMU will report to the administrative authority and the World Bank.

#### **3.1 THE SUPERVISORY UNIT**

The IGM will report to the Project Director (PD), PMU. A Grant Investment Committee (GIC) will be established as an independent selection and recommendation body for awarding matching grants, and for advising on issues related to planning, implementation, and monitoring of BFMGF financed sub-projects and activities. The composition of the GIC is proposed to be as follows:

1. Chair –Additional Director General, DoF
2. Member Secretary-Project Director, BSCMFP
3. Member - Representative of MoFL
4. Member- Member Director (Fisheries) BARC
5. Member-Representative from BFRI
6. Member - Deputy Project Director (Concern), BSCMFP
7. Member - Representative of Bangladesh Bank
8. Member - International Grant Manager (non-voting member)

A system of independent expert reviews comprising national and international resource persons will be put in place to assist in the evaluation of Expression of Interests (EOIs) and Grant Applications by GIC as required and where applicable. The PMU will support costs of expert reviews, administration of the BFMGF's program, business development, and grant administration, monitoring and evaluation, among others. Experts to review proposal will be nominated by GIC. Upazila and District level fisheries offices of DoF will support the activities BFMGF in appraising, verifying, processing and implementation of the sub-projects. In addition, technical support and facilitation through complementary resources/consultancies of the BSCMFP may be required throughout the duration of the BFMGF.

All eligible proposals will be reviewed for World Bank environmental and social safeguards compliance by the ESSE of the PMU. Final selection will include environmental and social review/recommendation.

#### **3.2 THE BFMGF MANAGEMENT TEAM**

The BFMGF organizational framework envisages a distinctive and coordinated management and governance structure to ensure transparency and neutrality of the facility under the supervision and guidance of PD, PMU. He will be responsible authority for overall BFMGF management. The facility will be adequately resourced with available managerial and technical staff, and support services within the PMU of the BSCMFP and DoF as well. A Social,

Environmental and Communication Committee (SECC) will also assist in the E&S policy compliance.

The IGM will coordinate with concerned DPD & APD, PMU and be assisted by relevant consultants, experts and staffs of BSCMFP as required. For smooth operations of the BFMGF, additional human resources may be considered in revised DPP. The organizational chart of BFMGF is provided in Figure 1.

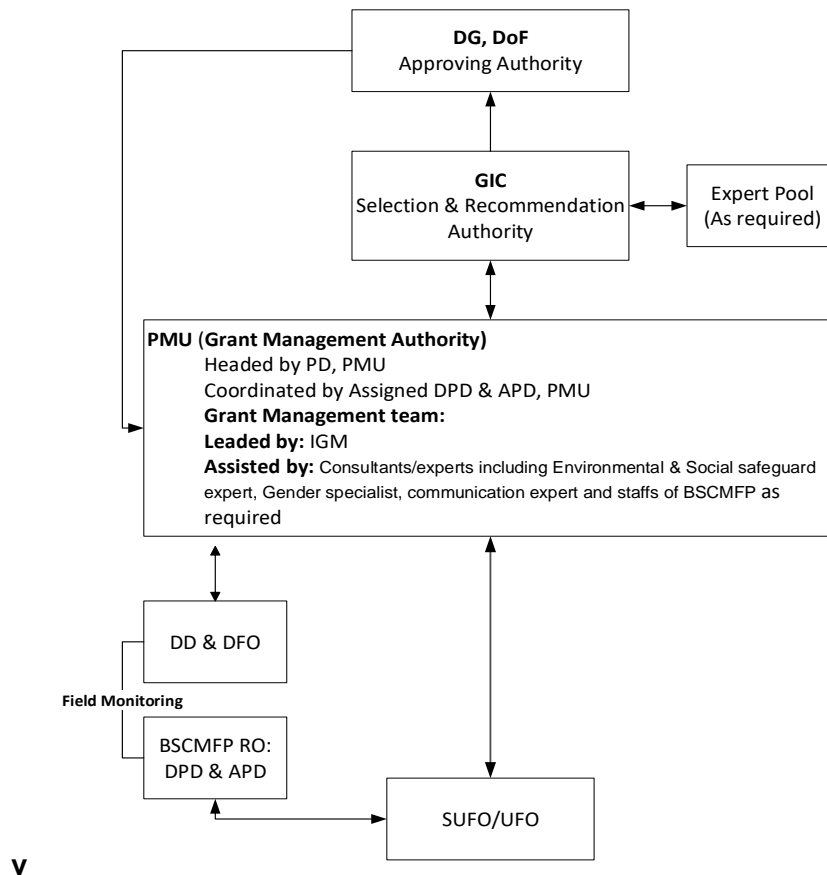


Figure 1. BFMGF Organizational Structure.

Note: PMU = Project Management Unit; PD= Project Director BSCMFP; GIC = Grant Investment Committee; IGM = International Grant Manager; DPD= Deputy Project Director; APD = Assistant Project Director, SUFO= Senior Upazilla (Sub-district) Fisheries Officer; UFO= Upazilla (Sub-district) Fisheries Officer; DD= Deputy Director, DoF; DFO= District Fisheries Officer, DoF,

**The Grant Management Team (GMT).** The IGM, under the supervision of the PD, PMU, will be responsible for all aspects of the BFMGF’s initial setting up and subsequent management and overall operations (planning, implementation, and monitoring). The IGM will be supported by concern DPD & APD and other relevant consultants in PMU HQ, and provide grant management and monitoring support, while 3 regional DPDs (1 in each region) located in the regional offices in Barisal, Chittagong and Khulna will provide grant coordination, operations and management support. In addition to that, SECC, DD, DFO and SUFO/UFO, DoF will provide grant management and monitoring support at field level, especially, they will assist in providing matching grants to shrimp clusters, under Window 3, which comprise large number of Applications.

**Independent Expert and Resource Person Pool.** A pool of independent experts and/or resource persons (international and national) will be created to provide independent reviews and

recommendations on grant Applications, and grant operations and management from time to time. GIC will recommend relevant experts and resource persons in consultation with PMU., define the scope of their inputs, and appropriate remuneration and honoraria for expert/resource person services. The expert and/or resource persons list and remuneration will be approved by the GIC prior to their engagement.

Under the guidance of PD, PMU, BFMGF the Grant Management Team (GGMT) of PMU, led by IGM, will be responsible for the overall operations of the BFMGF, most importantly:

- ensuring the BFMGF is widely known within its target markets, so that all eligible and credible bidders have equal opportunity to take advantage of the BFMGF;
- ensuring the Facility operates transparently and according to publicised schedules;
- generating a pipeline of projects sufficient to ensure competition for funding and for all funding to be disbursed to private entities with deserving investment projects;
- ensuring contracts with Grantees are properly supervised and provided course correction if needed;
- alerting the PMU at the earliest possible opportunity of any unsatisfactory Grantee performance; and
- providing regular progress reports on portfolio performance.

The principal task of the BFMGF team is to secure and implement a sufficient quantity of grant proposals that meet the eligibility criteria, be able to allocate all the available funds, and achieve the objectives of BFMGF and BSCMFP.

## **IV. ELIGIBILITY POLICIES AND TERMS AND CONDITIONS OF BFMGF**

### **4.1 ELIGIBILITY POLICIES AND PROCEDURES**

Eligible sub-projects<sup>4</sup> will qualify for funding if they can demonstrate the following:

- The investment/research project must contribute to improved productivity and incomes, increased employment and create new economic opportunities across the seafood value chain, particularly for small-scale growers.
- Research projects must be technically feasible, supported by complete materials and methods.
- Commercial projects must be economically and financially sustainable, as demonstrated by a credible business plan.
- The sub-project must not create permanent unfair competition or otherwise distort markets.
- The sub-project must comply with WBG social and environmental safeguards policies and the Project ESMF, and must not cause any social or environmental damage.
- Sub-project built on encroached areas viz. river levees, accredited chars, planted or natural mangrove patches or in illegally occupying or having legal disputes will not be eligible for grant support.
- The project encourage the co-financing whereas a bank defaulter will not be considered as an eligible applicant.

Being a competitive grant facility with limited funds, projects that produce more benefits will be favoured over those that produce fewer benefits. Sub-project business or research proposals

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<sup>4</sup> The terms Sub-project, investment/research project and Application are used inter-changeably in this document.

should be for a period not exceeding the duration of BSCMFP with all activities duly completed, including sub-Project Completion Report (PCR). The process flow chart for selecting grantees and administering grants under different windows is presented in Figure 2.

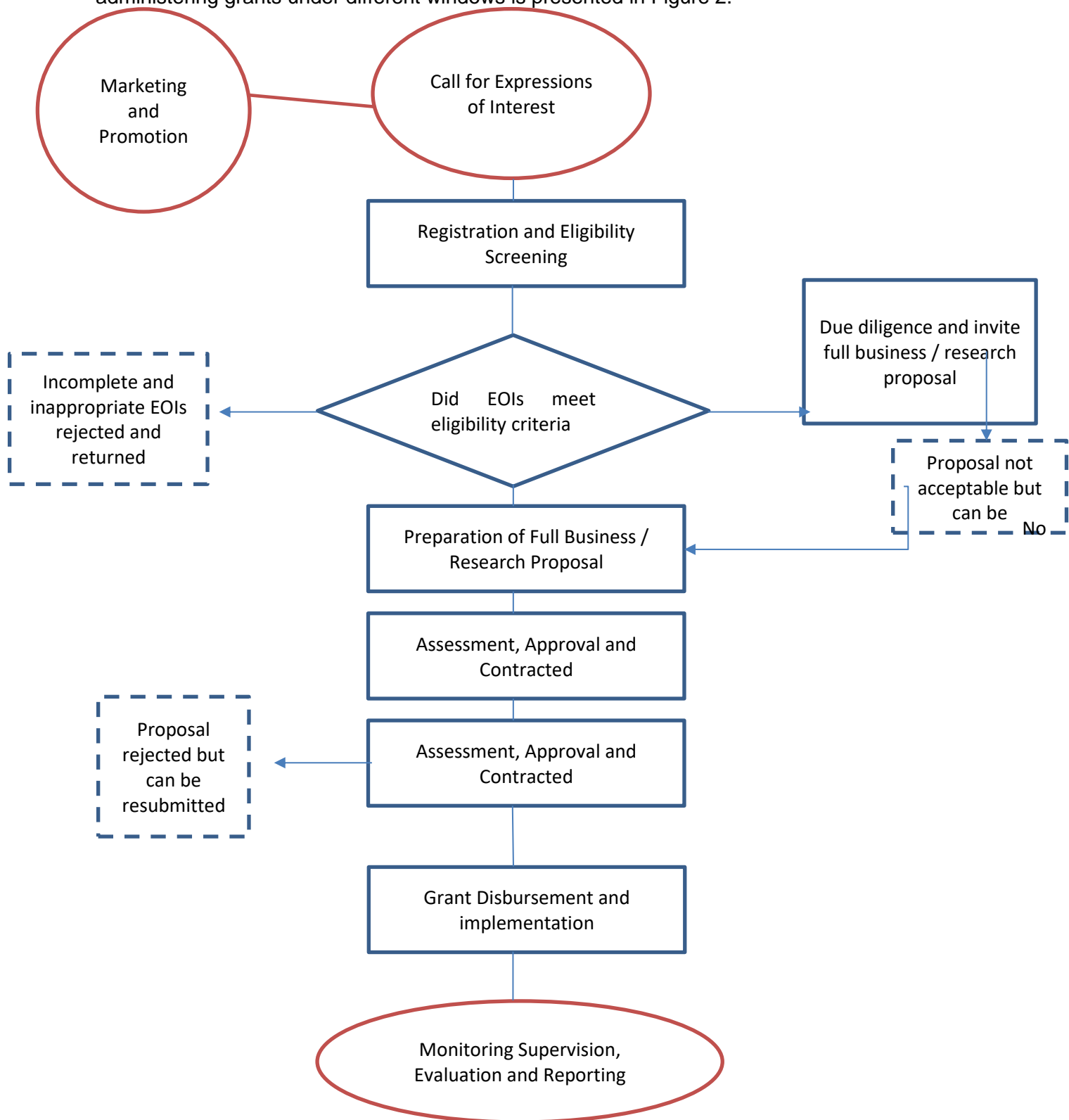


Figure 2. Process flow chart for selecting and administering BFMGF grant sub-projects.

## 4.2 ELIGIBILITY CONDITIONS AND SELECTION CRITERIA FOR DIFFERENT WINDOWS

**Window 1: Mariculture Sub-projects – Mariculture Applied/Action Research, Technology Innovation, Commercialization and Production Piloting.** Matching grants are open to all legally incorporated private and public, national research institutions, including the Bangladesh National Agricultural Research System, universities, NGO and private sector companies who comprise and represent the aquaculture producers as the Beneficiary.<sup>5</sup> Research organisations should have a minimum of 10 years' experience in research with at least five years' experience in the area of grant Application. Research will be targeted at overcoming technical constraints to the establishment of successful new commercial ventures that will leverage new and larger private investment into the seafood industry. Examples of the type of study that would qualify under this window include, but are not limited to: improved varieties of fish/shellfish for culture, improved fingerling quality, more ecologically and economically efficient production technology, innovative disease management systems and water quality monitoring systems and environmental carrying capacity models.

BFMGF encourages research collaborations between groups, especially those including farmers and other direct beneficiaries. These grants are used to enable scientists to focus on key problems in the industry, develop institutional linkages and research capacities across organisations, link scientists with users of new technologies, and partner with the private sector aquaculture. Successful research proposals will incorporate multiple individual studies to generate complete technology packages, demonstrate the short-term potential commercial outcomes that could emanate from the research and the possible impact on the industry (e.g. increased incomes for growers, gender equality, effective gender mainstreaming, job creation, increased exports, productivity improvements, new market opportunities).

Mariculture is a pollution prone venture, and subject to accidental damage to the coastal biodiversity. In case of action research proposal on mariculture, after getting preliminary selection of the concept proposal/EoI, and before submission of the final proposal, additional environmental and/or social assessments may be required based on the screening outcome and as per national regulations (Annex 2).

Eligible applicants must be affiliated with one of the above entitled research entities,

- Principal Investigators (PIs) will have at least a Master's degree and journal publications in relevant fields,
- PIs will devote at least 30% time to the project,
- The applicants host organization must have adequate Human Resources and Research Facilities,
- Experience of outreach research activities for commercialization of innovative technology will be preferred.
- All those above will be endorsed by the head of respective organizations.

For innovations and start-ups in coastal aquaculture value chain Sub-project Applicants must be

- registered and operating in Bangladesh (whether domestic or foreign owned or a joint venture) in compliance with relevant business regulations in Bangladesh;
- a for-profit (intending to generate a return for shareholders/members) private sector or joint venture enterprise that operates commercially and without government subsidy (business membership organisations and associations and NGOs are eligible to apply for funding provided they are in a consortium/partnership led by an eligible private or public-sector business);

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<sup>5</sup>Bangladesh : Sustainable Coastal and Marine Fisheries Project Financing Agreement, October 25, 2018, and Amendment to the Financing Agreement, dated August 9, 2020 (Credit No. 6326-BD).



- in satisfactory financial health as determined by the GIC, assisted by IGM in consultation with industry experts, and able to show at least two years of audited accounts (where applicable); and
- adequate internal technical and managerial capacity, including environmental and social screening, development of ESMP and monitoring plan, to undertake the investment project within the agreed timeframe. An additional environmental and/or social assessment may be required based on screening and as per national regulations.

For competitive research grants for studies on high priority blue economy issues and adaptive and/or action research Sub-projects Applications for up to 20 Sub-projects will be invited through issuance of call for proposals during the implementations of the BSCMFP for competitive selection. Universities, Research Institutions, Academia, Private and Public Policy Institutions (National) can bid at their own expenses for competitive selection against selection criteria approved by GIC and endorsed by PMU/MoFL and World Bank.

### **Window 2. Production and Distribution of Disease-Free Seeds for On-farm Productivity Improvements.**

Application for matching grant sub-project can be submitted by both existing hatchery owners and new investors for establishing SPF shrimp hatchery, shrimp broodstock multiplication/rearing facility, and/or poly-chaete farming, and/or artemia rearing who:

- are registered with the relevant government authorities;
- can demonstrate their ability and conviction to comply with all industry best practices regarding biosecurity and environmental controls;
- have access to a suitable site and secure water supply;
- have waste disposal system supported by Effluent Treatment Plant (ETP);
- Required certification of EIA issued from Department of Environment
- have an effective, long-term partnership with a reputable international service provider for technical advice, SPF broodstock and improved technologies;
- have or have identified for hire qualified hatchery technicians; and
- can present a viable business plan that includes state-of-the-art hatchery design, identified marketing channels and efficient operational management.

### **Window 3. Shrimp Farming Productivity Increase, Quality Assurance and Post-harvest Facilities.**

Shrimp farmer groups/clusters participating in the BSCMFP cluster mobilization efforts can apply for matching grants if they fulfil the following conditions:

- farm clusters and member farmers are graduated from extensive to improved extensive or further improving to globally accepted good aquaculture practice BSCMFP/DoF (certified by DoF as an organized cluster)
- an operational management agreement among shareholders of the cluster with a designated manager;
- willing to comply with environmental and social safeguard policy of WB by complying with safeguard parameters during selection of farming units in the clusters defined in the project ESMF;
- Fill-up environmental and social screening forms and prepare a simplified ESMP including monitoring plan to address environmental and social impacts;
- confirm water exchange facilities establishing connectivity with an existing canal or desilted canal from project finance.
- selection of clusters shall be abide by defined criteria delineate in the DPP and/or consultation with field regional DPPs/APDs.
- bio-secure infrastructure and production system suitable for progressive improvement;

- commitment to use BSCMFP/DoF certified SPF seed, feed and other inputs to ensure bio-security and e-traceability;
- follow BSMFP approved good aquaculture practice (GAqP) that ensures biosecurity;
- a bank account; and
- a viable business plan for three consecutive years and a financing plan.

For quality assurance and post-harvest services matching grant Applications can be submitted by all types of aquaculture producers, companies, depot operators, collection centres, civil society organisations, aquaculture business membership organisations, registered farmer organizations, women's group, shrimp clusters and/or their consortia, and/or non-government agencies (including consortium/partnership) that have all of the following characteristics.

- registered and operating in Bangladesh (whether domestic or foreign owned or a joint venture) in compliance with relevant business regulations in Bangladesh<sup>6</sup>;
- a for-profit (intending to generate a return for shareholders/members) private sector or joint venture enterprise that operates commercially and without government subsidy;
- in satisfactory financial health as determined by the BFMGF team in consultation with industry experts, and able to show at least two years of audited accounts (where applicable);adequate internal technical and managerial capacity to undertake the investment project within the agreed timeframe;
- facility provides post-harvest services to BSCMFP project organized cluster farmers in marketing their produce;
- committed to provide advanced services capable to provide e-traceability and bio-security outcomes;
- sustainability of the rehabilitated/refurbished/modernized or newly constructed post-harvest units requires the operation and management plan by the beneficiaries and
- follows national food act, and licensed/accredited by DOF;
- submit filled-in E&S screening forms with the application; and
- sub-project for civil works must follow the design and compliance of the project and be implemented under direct supervision of project engineering team.

All commercial business grants will be made to co-finance the implementation of a credible business plan. Grants at cluster-level can be made for expenditures for improvements that benefit all cluster members, such as access roads, electricity installation, and earthworks important to collective water supply and management, such as canal, dyke and gate-valve rehabilitation. Other eligible expenditures include: new equipment and machinery purchases, improved feed/seed (limited to two production cycles), building and storage construction and/or expansion, specialised technical support, and the costs for provision of support to smaller-scale actors for participation in, for example, out-grower or collective marketing schemes.

Eligible aquaculture producers such as clusters, businesses and joint ventures can submit multiple bids, but can only receive one grant at any given time. The BFMGF Management has discretion to process the most promising of multiple EOI's first, and delay processing others to a later bidding round once the first investment project of the cluster/business/consortia has successfully concluded.

Applicants must complete an E&S screening using prescribed forms(Attachment 3) and submit it along with the final Competitive Research Grant proposal.An additional E&S assessment may be required based on screening result and as per national regulations.

Grant allocations are indicative only and PD, PMU with concurrence fromGIC has discretion to adjust the size of the grant depending on the quality of the business/research proposal and the

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<sup>6</sup>Some businesses that wish to participate in BMGF may not yet be officially registered with the appropriate registration authorities and these entities will be encouraged to register as early as possible. For unregistered applicants, all BMGF contracts must be concluded either with an individual, preferably the owner of the organisation, or a group of individuals.

extent to which the sub-project delivers results to the industry. The size of grant to be offered under each window should not be publicly disclosed.

#### **4.3 CONFLICTS OF INTEREST**

Businesses applying for BFMGF grants must provide professional, objective and impartial information at all times, and have an obligation to disclose to the PD, PMU any situation of actual or potential conflict of interest. This could occur when the owners or employees of the Applicant have a close business or family relationship with staff from DOF, the PD or the GIC and IGM, who are directly or indirectly involved in any areas concerning:

- (i) the preparation of the conditions to apply for a grant;
- (ii) the selection of eligible Applicants at EOI stage; or
- (iii) the supervision of a Grantee's activities during implementation of their sub-project

Failure to disclose such situations may lead to the disqualification of the Applicant or the termination of its grant/contract. If a grant has already been disbursed and an undisclosed conflict of interest is subsequently discovered, the PD, PMU will be entitled to claim reimbursement from the Grantee of any grant financed to that organisation.

#### **4.4 INELIGIBLE EXPENSES**

Purchases or renting of land, even if exclusively for the investment project will not be eligible for grant support. Grants for shrimp cluster farming cannot be used for deepening or rehabilitating private ponds of cluster members, which expenses can however be included as part of the grower's 24% contribution to the matching grant. Foreign exchange losses and interest charges for late payment are not eligible for inclusion in Business Proposals. DOF will assume all tax and regulatory expenses arising solely and directly from the activities supported by the Facility in the investment project. Any such costs incurred will be met by the grant component of the project budget.

### **V. OPERATIONAL POLICIES AND PROCEDURES**

#### **5.1 ENQUIRIES**

Enquiries can be received via the BFMGF website, via phone, mail or personal visit to one of the project offices and should be resolved within one week. Where questions cannot be answered immediately, a deadline for responding must be established with the enquirer, and an acknowledgement given, or holding letter sent, or call despatched within one week of the enquiry.

The BFMGF management team will ensure that each enquirer has been provided with appropriate information to understand the BFMGF's purpose and the types of projects that qualify for consideration. In particular, eligibility criteria should be explained so that the enquirer can determine quickly the eligibility of their organisation and their EOI.

#### **5.2 BIDDING ROUNDS**

BFMGF grants are offered in a series of bidding rounds through the implementation of a two-stage process, comprising EOIs at the first stage, and full Business Proposals at the second stage. The two-stage process has been designed specifically to minimise the amount of time that organisations need to devote to proposals that will not be competitive, and only those with genuine chances should be asked to submit full Business Proposals. EOIs should be brief and used as a way of screening out less competitive ideas. Full Business Proposals should enable detailed assessment of the investment and effective reward of funds, with Business Proposals being similar to commercial business plans.

Bidding rounds shall be offered at 4-month intervals and, at least five bidding rounds are expected to be completed during the SCMFP implementation period. Bidding rounds (from the invitation to submit EOIs through to the award of grants) will be held sequentially, with one round completing

before another begins. Bidders can submit more than one EOI but Business Proposals will be limited to one proposal per bidding organisation.

### 5.3 RECEIVING EXPRESSIONS OF INTEREST

Interested organisations will be asked to submit a brief EOI that outlines their proposed investment/research following the BFMGF standard format, available on the BFMGF website (Attachment 4). EOIs can be submitted at any time. The SCMFP website is the platform for receipt of EOIs. Submission of proposals from shrimp Clusters will be facilitated by the SUFO and contracted Cluster Mobilization Team (consulting firm) for that Upazila. Applications for cluster business plan matching grant financing will be coursed through the regional DPDs of the project. Potential grant recipients with no access to internet may request the assistance of the SCMFP's regional office team for assistance with the website application forms. Within one week, confirmation of receipt will be sent to each organisation submitting an EOI. Applicants whose EOIs are unlikely to lead to an acceptable investment project will be informed as soon as possible.

### 5.4 ASSESSING EXPRESSIONS OF INTEREST

On receipt of EOIs, the BFMGF Management Team will independently: (i) review EOIs against the eligibility criteria and filter out ineligible EOIs; (ii) ensure there is no conflict of interest between EOIs and DOF/World Bank programmes; (iii) assess and evaluate EOIs against the results framework, and environmental and social screening matrix as represented in the EOI Assessment and Evaluation Checklist (Attachment 5); and assess budgets against industry costs. Table 2 describes the shortlisting process.

TABLE 2: SHORTLISTING PROCESS OF EOIS

Description	Responsibility	Detail	Outputs
Eligibility review	BFMGF Management Team (GMT)	BFMGF reviews each EOI against the eligibility criteria to determine whether the Applicant and the EOI are eligible	<ul style="list-style-type: none"> <li>• Eligibility checklist</li> <li>• Review points to Applicants</li> </ul>
Selection review	BFMG-GMT	BFMGF reviews each Concept Note against the selection criteria to grade the Applicant and the concept as strong, borderline or weak and to give an overall grade to the EOI	<ul style="list-style-type: none"> <li>• Selection checklist</li> <li>• Evaluation control sheet and evaluation form</li> <li>• Review points to Applicants</li> </ul>
Due diligence review	BFMGF -GMT	The BFMGF goes through a due diligence checklist (with the Applicant if needed) to verify identity and authority (e.g. request company registration certificate)	<ul style="list-style-type: none"> <li>• Due diligence checklist</li> <li>• Review points to Applicants</li> </ul>
Review points	BFMGF-GMT	The BFMGF considers the responses to review points submitted to each Applicant	<ul style="list-style-type: none"> <li>• Draft shortlist</li> </ul>
Environmental, Social screening and gender review	Environmental Specialist and Social Safeguards Specialist	Review each of the shortlisted EOIs against the points contained in the environmental, social and gender checklist and report accordingly.	<ul style="list-style-type: none"> <li>• Environmental and social screening and gender review report</li> <li>• Technical and commercial screening report</li> </ul>
Technical feasibility and commercial	Sector Specialist(s) (Expert/Resource)	The Sector Specialist(s) will consider each of the shortlisted EOIs and arrive at an initial opinion on the technical feasibility and commercial viability of	<ul style="list-style-type: none"> <li>• Revised draft shortlist</li> </ul>

viability screening review	Person from expert pool)	the business model described in the EOI.	
Recommendation for Decision	PD, PMU	PD, PMU with the assistant of IGM, reviews revised draft shortlist based on a) environmental review) social/gender review; and c) technical and/or commercial viability screening reports.	Recommendation list
Decision review	GIC	The GIC reviews the EOIs on the draft shortlist, and takes the final decision on the shortlist	• Final shortlist

## 5.5 ELIGIBILITY AND SELECTION REVIEWS

The initial eligibility and selection review is undertaken by a BFMGF Operation and Management Team (GMT) under the supervision of PD/PMU. The eligibility review provides yes or no answers against each of the eligibility criteria. The selection review grades eligible EOI as strong, adequate or weak against each of the assessment criteria (as per scoring shown in Application Evaluation Guidelines).

EOIs that are classified as eligible and strong are presented by the IGM to PD. The IGM discusses with PD all eligible and strong concept notes and a sample of concept notes classified as ineligible or weak/borderline. In discussion with the Environmental and Social Safeguards Expert and SECC the BFMGF-GMT reaches a conclusion on the classification and social and/or environmental flagging of concept notes. The evaluation is recorded on a Window Evaluation Control Sheet.

## 5.6 DUE DILIGENCE - IDENTITY AND AUTHORITY

The business analysts complete a Due Diligence Identity and Authority Checklist with each Applicant included in the draft shortlist, gathering copies of evidence as necessary. The completed checklist is signed off by the PD, PMU and is included in the Concept Note Evaluation Form. The Due Diligence Checklist covers all of the points of the identity of the applicant and the identity and authority of the individual submitting the concept note which are mentioned in the concept note. Those applicants whose concept notes are classified as eligible and strong are included in a draft shortlist.

## 5.7 ENVIRONMENTAL AND SOCIAL SCREENING AND GENDER REVIEW

The Environment and Social Safeguards Expert (ESSE) within the PMU will review each of the shortlisted EOIs or concept proposal against the environmental, social and gender screening matrix. The review is designed to highlight any unanticipated issues or opportunities arising from the proposed investments following the project Environmental Management Framework (EMF), Resettlement Policy Framework (RPF), Small Ethnic Community Development Framework (SECDF) and Pest Management Plan (PMP). The Expert will prepare a brief report to the BFMGF GMA on each EOI highlighting the adequacy of the assessments. Based on the ESSE's note GMA may ask the proponent to re-assess the environmental and social risk and impacts and resubmit the proposal. Otherwise, the review report is included in the EOI or Concept Proposal Evaluation Form which is later presented to the GIC.

## **5.8 TECHNICAL FEASIBILITY AND COMMERCIAL VIABILITY REVIEW**

A relevant specialist from expert pool reviews each concept note included in the draft shortlist and provides an initial opinion on the technical feasibility and commercial viability of the business model described in the EOI. The specialist relies on the contents of the EOI as submitted by the applicant and applies prior international or local experience of similar projects in reaching an opinion. The BFMGF-GMT may then decide to remove the concept note from the shortlist. Otherwise, the specialist's opinion is recorded in the Concept Note Evaluation Form which is later submitted to the GIC.

## **5.9 DRAFT SHORTLIST FOR REVIEW**

The BFMGF IGM, after consultation with PMU procurement specialist and concerned DPD, submits the following to the PD, PMU:

- (i) A summary (cover letter) of the shortlisted applicants under the Window and the requested grant amount;
- (ii) Evaluation control sheet and evaluation form – so that the GIC can view the Concept notes received, reasons for rejection and reasons for selection; and
- (iii) The shortlisted EOIs.

## **5.10 GIC ASSESSMENT AND RECOMMENDATION – FINAL SHORTLIST**

The GIC scrutinizes the evaluation process and the quality of the output documentation and then takes a final decision on the shortlist. GIC members will record their comments with a statement on each shortlisted concept note, including any comments on the applicant and on the project (such comments are recorded in the EOI Evaluation Form) and a decision on the inclusion/exclusion of the EOI from the shortlist. GIC make a joint decision of eligibility and suitability for project funding. Any questions arising during the review should be immediately referred to the project proponent(s) prior to any final decision. If at any point a proposal is definitively rejected, a rejection notice should be immediately sent to the proponent(s).

It should be noted that the BFMGF-GMT will already have spent considerable time evaluating and selecting the applicants. The GIC on the other hand will have little time to go through the same evaluation process. Its role is largely therefore to ensure that the shortlisting process has been followed diligently as per the operations manual, and to check if there are any applicants on the shortlist which would pose a reputational risk (e.g. those blacklisted by government). Rather than rejecting any shortlisted applicants outright, the GIC should request clarifications first on the evaluation forms to give the BFMGF core team a chance to respond before a final decision is taken.

## **5.11 INVITE FULL APPLICATIONS (BUSINESS PLANS)**

The BFMGF will write a formal Invitation to all shortlisted Applicants to submit a full Business/Research Proposal (Business Plan), The following documents will be attached as appendices to the invitation letter:

- (i) Suggested format for the Grant Application and guidance notes;
- (ii) Guidance notes on the evaluation process and allocation of funds;
- (iii) Guidance notes for preparing the investment project budget; and
- (iv) List of Approved Business Development Services (BDS) Consultants, if deemed necessary

The Grant Application template and guidance notes will guide Applicants, but all Applicants are free to submit additional supporting documentation together with their Grant Application in the format that they consider to be most appropriate. The Grant Application template includes a copy

of the Applicant's Code of Conduct (in line with WB's anti-corruption policy) to be signed by the Applicant. Proponents of unqualified EOIs will be given feedback including an explanation for rejection [further details in the following sub-sections].

### **5.12 VERIFICATION VISIT (IF REQUIRED)**

The BFMGF verification mission together with PMU and/or relevant regional PMU representatives will visit all entities/businesses/clusters that pass EOI eligibility to verify the information submitted in the EOI and appraise business/cluster capacity to implement and monitor the investment project. The verification visit will conduct an **on-site** initial screening of the environmental and social impacts of the proposed project (Attachment 3). A short report on verification visits will be submitted to IGM by verification mission team leader with a copy to PD, PMU.GMT will then provide written feedback to the business/cluster applicant via the regional DPDs, Districts on the results of the verification visit. The feedback report will request additional information on certain aspects of the business/cluster operations or other gaps identified during the visit for inclusion into the grant application, if necessary. If any substantial deviation from the information provided at the EOI stage is reported by the verification mission regarding a business/cluster the BFMGF management has the discretion to suspend the applicant from advancement in the selection process.

### **5.13 FULL RESEARCH OR BUSINESS PROPOSALS**

For individuals or groups that submitted successful EOIs, Business and Research Proposal Forms Attachments 6 and 7, respectively) will also be available on the BSCMFP/BFMGF website for online completion and submission via the Internet. Potential applicants will be expected to complete their proposals providing information on their company, detailed investment project proposal, current activities, current financial situation, and proposed economic benefit to targeted beneficiaries and the wider community. The Business Proposal (Attachment 6) needs to be a comprehensive description of the organisation's products or services, production techniques, markets and clients, marketing strategy, human resources, organisation, requirements in respect of infrastructure and supplies, World Bank environmental and social safeguards compliance management, including ESMP, financing requirements, and sources and uses of funds.

Regional Implementation Team staff assistance to walk-in or call-in applicants who are having trouble with the on-line application process will be limited to the proposal process, and will not include technical advice or project planning.

### **5.14 SUPPORT TO BUSINESS PLAN PREPARATION**

**BFMGF in-house support:** Impartial advice will be provided by the BFMGF Management Team to shortlisted applicants in preparing their Grant Applications at no cost to the applicant. Support will also be provided on preparing a business plan financial model to identify the investment and working capital requirements for the project. The BFMGF can also provide letters about the project to each applicant to help them identify sources of finance to cover their contribution. The financial model may be used to forecast the expected returns and the costs of borrowing and to arrive at a grant offer with a milestone schedule appropriate to the project. In addition to the BFMGF/GMT, the BFMGF will be able to draw on experts of BSCMFP-PMU as required to provide support – this could include financial modelers.

**Business Development Service (BDS):** The BFMGF also provides a list of approved BDS consultants (individuals or preferably firms) that shortlisted applicants can use with financial support to get assistance for completion of the grant application. Applicants are also free to use consultants not included in the list, but the project will not provide financial support towards the cost of using consultants which are not approved consultants. The list of approved consultants comprises reputable national BDS providers that have relevant technical and/or commercial

expertise and are familiar with the BFMGF objectives, procedures and requirements. Applicants will be free to select any provider from the list, or propose an alternative provider to be vetted and added to the list, or use a consultant not included in the list of approved consultants.

The cost of the BDS provider will be shared 50:50 by the applicant and the project for finally selected sub-project. Applicants using the approved consultants will be able to claim back 50% of the cost up to a maximum of \$3,000 for Window 1 and 2 upon submission of an invoice from the applicant (plus the BDS terms of reference, contract, invoice, proof of payment and completed Application). Irrespective of the outcome of the application (business plan) selection process, applicants can request reimbursement of their share. If the applicant withdraws from the competition before submitting an application, then no costs will be covered.

**Technical Assistance:** In addition, proponents of business or research proposals for particularly expensive and/or technically complex investments can use services by appropriately skilled industry experts (international or national), operating under a separate contract (if required and subject to inoculation in revised DPP) with the BSCMFP PMU in Dhaka. The expert will provide a comprehensive evaluation of the organisation and identify weaknesses and priority investment areas. The expert will only assess technical areas of the organisation, such as mechanical areas, and provide recommendations within their area of expertise regarding investments concerning recommended machinery or equipment, operating costs, budgets, training requirements, operations and maintenance, and expected outputs. The objective is to provide the most effective value for money whilst striving to implement best-practice investments. The technical expert will present the results to the BFMGF Management Team and propose how the BFMGF could help the organisation address major weaknesses.

#### **5.15 ASSESSING RESEARCH AND BUSINESS PROPOSALS**

Research and Business Proposals will be assessed by GMT/GMA/GIC following the same process as for the EOIs, using the Business Proposal Assessment Form (Attachment 8) or the Research Proposal Assessment form (Attachment 9). The assessment results and final decision by the approving authority (DG, DOF) will be communicated by PD in writing to the applicant conveying one of the following:

- the applicant was successful, and a grant will, subject to contract, be provided in accordance with the Proposal;
- the Proposal was approved, subject to clarification of certain matters prior to final approval (requires more work); or
- the proposal was unsuccessful. However, at the discretion of the GMA, a re-submission would be reviewed if certain issues can be fully addressed by the applicant.

If needed, the GMA can request opinions of independent national and/or international experts relevant to the Applicant's Business or Research Proposal to assess and evaluate the proposal. A time limit of 4 weeks will be allowed for the BFMGF-GMT to complete evaluation of a proposal.

#### **5.16 APPLICATION EVALUATION PROCESS**

Application evaluation process is conducted by the BFMGF GMT with the help of relevant specialists and independent external experts. Table 3 describes the application evaluation process.

#### **5.17 DUE DILIGENCE REVIEW – IDENTITY, AUTHORITY AND REPUTATION REVIEW**

The BFMGF completes necessary enquiries and obtains evidence to verify the identity and the authority of the individual submitting the application to act on behalf of the Applicant and (if relevant) and to provide assurance of the good standing of the applicant. The evidence will comprise some or part of the following as applicable:



- (i) All documents submitted at the EOI stage;
- (ii) Bank reference;
- (iii) Institutional references for the individual acting on behalf of the Applicant;
- (iv) Association Agreement and
- (v) Tax Identification Number

Where these documents are not available, other compensating evidence may be provided and the BFMGF will report to the GIC accordingly.

### 5.18 SUB-PROJECT SCREENING AND EVALUATION

The BFMGF will assess the application against the pre-agreed screening criteria and scoring matrix. Sector specialists and/or independent external reviewer(s) will be utilized as required. A milestone schedule will be proposed for the investment project, and the proposed arrangements for project monitoring and evaluation.

TABLE 3. APPLICATION EVALUATION PROCESS.

Description	Responsibility	Detail	Output
Due diligence review	BFMGF-GMT	Review of due diligence evidence provided with the full Grant Application	Due diligence report
Technical feasibility and commercial viability review	Independent experts (opinion of two independent reviewers, including one international, if need arises)	Detailed technical and commercial viability review, leading to recommendation for funding together with any specific conditions that should be included in the Grant Agreement	Technical feasibility and commercially viability reports
Social and environmental screening review and response	Environmental and Social Safeguards Expert	Detailed environmental, social and gender impact assessment to identify relevant risks and impacts, and ensure that the risks are minimized and impacts mitigated adequately along with an accessible and responsive grievance mechanism (GM). Such screening and reviews will identify any specific conditions that should be included in the Grant Agreement. An ESMP to mitigate negative ES impacts, if any, will be included with the application. Additional E&S assessments may be required based on screening and as per national regulations.	Social and environmental screening reports, together with recommendations and action plan for risk mitigation measures
Strategic review	BFMGF-GMT	Detailed strategic review looking at the impact of the project on target beneficiaries and the proposed milestones of the project  Review of investment project budgets and cash flow forecasts	Development impact report, Financing report M&E Plan Draft Funding Recommendation
Indicative grant offer	BFMGF-GMT	Details the grant amount and milestone payment schedule.	Indicative grant offers to selected Applicants

Funding Recommendation	PD with the assistance of IGM		Summary Evaluation Report; Funding Recommendation
No objection	WB	WB provides no objection	No-objection letter
Assessment and Recommendation	GIC	The GIC reviews the Funding proposals and recommend on grants to be awarded	Summary Evaluation Report; Funding Recommendation
Approval	DG, DoF	DG, DoF approve the award list.	Award list
Grant Agreement	IGM	PD PMU and Grantee to sign Grant Agreement	Signed Grant Agreement

A report will be prepared and incorporated into the Funding Recommendation to be presented to the GIC. When reviewing the proposed arrangements for project monitoring and evaluation, the BFMGF will report on plans to:

- (i) Monitor progress during the implementation of the investment project;
- (ii) Verify that proposed implementation (payment) milestones have been achieved;
- (iii) Collect commercial data (e.g. purchases, sales, supplier and customer profile) from the Applicant;
- (iv) Monitor linkages with target beneficiaries;
- (v) Environmental and Social Impact Monitoring in accordance with the ESMP of the sub-project; and
- (vi) Evaluate the benefit experienced by target beneficiaries.

#### **5.19 ENVIRONMENTAL AND SOCIAL/GENDER MANAGEMENT**

Environmental and Social Safeguard Expert (ESSE) will assess the extent to which the Applicant has addressed all relevant environmental and social/gender management issues or opportunities. Where environmental risks are identified, the ESSE will approve a risk elimination or mitigation plan, included in the ESMP, to be provided by the Applicant. Compliance with the ESMP will be a precondition for grant disbursement.

The ESSE will provide regular updates to SECC on the environmental and social management policy compliance during its regular and periodic meetings. If deemed necessary, the GMA, upon the advice of ESSE, may request for a formal meeting with the SECC to receive SECC views on high-risk category sub-projects. The ESSE will then prepare a specific report which will be submitted with the GMA's funding recommendation to the GIC.

#### **5.20 NEGOTIATION AND INDICATIVE GRANT OFFER**

The GFM will conduct and complete contract negotiations with successful applicants. After completion of evaluation of Application(s) the BFMGF prepares an Indicative Grant Offer for each applicant that has passed the technical and commercial review, the social and environmental screening and the strategic review.

The Indicative Grant Offer details the grant amount, milestone payment schedule, and grantee reporting requirements (M&E plan). The milestone schedule and grantee reporting will be used as the main tool for monitoring the project and providing data on outcome and output indicators.

This indicative offer does not commit the project to entering into a Grant Agreement. The indicative grant offer is sent to the applicant together with an invitation to confirm the indicative grant offer.

Applicants will have one week from the receipt of the indicative grant offer to submit their acceptance of the offer, or rejection with reasons. For rejected offers, the BFMGF will then decide whether to adjust the terms (principally the milestone payment terms) or not. The amounts in the final list of agreed offers will then be added together. In case the amount is above the available funding within the Window, the IGM can request for reallocations across Windows or make a ranking of all applications and decide which projects should be recommended for funding within the total budget.

### 5.21 FUNDING RECOMMENDATION

The IGM/BFMGF submits to the GIC an Evaluation Report and Funding Recommendation comprising:

For each application	For all applications
<ul style="list-style-type: none"> <li>• The Grant Application</li> <li>• Due diligence report</li> <li>• Technical feasibility report</li> <li>• Commercial viability report</li> <li>• Social Screening report and Environmental and Social Assessment report, if needed</li> <li>• Development outcome report</li> <li>• Project management risk report</li> <li>• Financing report</li> <li>• Monitoring and evaluation plan including ESMP compliance monitoring</li> <li>• Agreed grant offers</li> </ul>	<ul style="list-style-type: none"> <li>• Summary Evaluation Report</li> <li>• Round Funding Recommendation</li> </ul>

Recommendations will be contingent on sufficient evidence that grantees will be able to secure counterpart funds.

### 5.22 WB No-OBJECTION

No objection on PMU/BFMGF recommended Sub-projects to be submitted for GIC assessment and recommendation will be sought from WB Project Team Leader.

### 5.23 GIC ASSESSMENT AND RECOMMENDATION

The GIC scrutinizes the evaluation process and the quality of the output documentation and then takes a final decision on projects to be funded. GIC members will record their comments with a statement on each application. It should be noted that the BFMGF will already have spent considerable time evaluating and selecting the applicants. The GIC on the other hand will have little time to go through the same evaluation process. Its role is largely therefore to ensure that the shortlisting process has been followed diligently as per the operations manual. Rather than

rejecting any recommended applicants outright, the GIC should request clarifications first to give the BFMGF a chance to respond before a final decision is taken. Upon satisfaction GIC will recommend sub-project for BFMGF consideration. Conditionalities may be imposed on the applicant to be included in the Grant Agreement. Rejected applicants will be notified with reasons. Award data will be uploaded onto the website to ensure transparency.

#### **5.24 APPROVAL**

Considering the GIC assessment and recommendation, DG, DoF will approve full or partial list or seek further review and clarification.

#### **5.25 GRANT AGREEMENT**

A grant agreement will be prepared by the BFMGF team, based on agreed terms and the proforma template, for the PD PMU to sign with the applicant. Once the grant agreement is signed, the applicant is referred to as a GRANTEE. The BFMGF maintains a grant agreement register containing a complete record of all grant implementation agreements, amendments, notifications and clarifications.

The PD PMU will sign the Letter of Agreement on behalf of the Government of Bangladesh with the grant recipient. BFMGF funding will be the subject of a contract between the government and the Grantee. In all cases the Grantee will be the organisation that submitted the successful Research or Business Proposal for funding or, as appropriate, is the lead organisation of a Research or Business Proposal made by a consortium. The Contract Letter will be drawn up in accordance with the Laws of Bangladesh.

The Grant Agreement will include the Beneficiary's obligations to: (i) carryout the Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the International Development Association (the Association); (ii) maintain policies and procedures to enable it to monitor and evaluate the progress of the Sub-grant in accordance with indicators acceptable to the Association; (iii) prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association; (iv) provide contributions towards the cost as per the Grant Manual and in a timely manner to cover the cost of the Sub-project; (v) procure the goods, works and services to be financed out of the Sub-grant; (vi) complete the carrying out of the Sub-project before the closing date; (vii) abide by and comply with, the terms and conditions of the ESMF and RPF, as applicable; and (viii) accept physical or documentary inspection by the Association, in relation to the carrying out of the Sub-project.

A clause will also be included in the Grant Agreement that states the Government's right to suspend or terminate the right of the Beneficiary to use the proceeds of the Sub-grant or obtain a refund of all or any part of the amount of the Sub-grant then withdraw, upon the Beneficiary's failure to perform its obligations under the Sub-project Agreement. A Sub-project grant may be terminated as soon as and whenever any corrupt or malpractices is discovered, and under whatever circumstances.

The duration of each contract will comprise:

- the period within which the sub-project funds are to be disbursed;
- the implementation period for the sub-project as set out in the work plan (where it exceeds the funding period); and
- a period following implementation for further monitoring and evaluation, concluding with the Completion Report submitted by the Grantee within one month after implementation of the investment project has been completed.

The content of contracts will be standardised. The Research or Business Proposal (setting out the objectives, indicators, workplan, activities, milestones, funding arrangements, Environmental and Social Safeguards Compliance, and reporting schedules) will form an integral part of the contract.

If the Grantee is unwilling to sign the contract for any reason, the GFM will seek to resolve any outstanding issues in consultation with relevant agencies from the Government of Bangladesh and its legal advisers.

Grantees will update project budgets and workplans quarterly, as necessary, and submit these to the GMT for approval.

Any approved BFMGF funding that has been disbursed, and remains unused following completion of investment project expenditure, will be cancelled and the unused funds will be refunded to the Facility.

## **5.26 DISBURSEMENT OF GRANTS**

The award of a grant by SCMFP, DOF to a Grantee is the culmination of the process of developing, reviewing and approving an investment under the BFMGF and is the start of implementation. At this point it is important to provide the successful Grantee a thorough orientation to the BFMGF's requirements during the implementation process, to ensure that the Grantee has a detailed understanding of the grant agreement, to establish a good working relationship between the Grantee and the GMT, and to commence implementation of the investment project on a sound footing. It is also important for the Grantee to act with urgency to implement the various actions required for the grant to be disbursed in a timely manner.

The GMT will clearly explain the grant agreement to the organisation owner, working through the agreement clause by clause, in order to ensure that the Grantee is fully aware and understands the requirements of the grant agreement, including careful explanation of the grant budget, taking care to ensure that the documents are fully understood by the organisation owner or lead entity of a cluster or (research or business) consortium. At the conclusion of this explanation, the organisation owner will sign the grant agreement.

Funds will be disbursed in tranches specified in the grant agreement, following the achievement of agreed milestones (indicators of progress) and expenditures. The number of tranches and the amount of each tranche are determined case by case, depending upon the amount of the grant and the nature of the project (investment or otherwise), the objective being first and foremost to ensure that the business plan is fully and successfully implemented.

All procurement for BFMGF grants will be conducted in accordance with the Procurement Arrangements specified in Section VII. For research applications and SPF hatchery business proposals, funds will be disbursed in tranches to research organisations or the hatchery based on progress against key performance indicators and achievement of milestones over the duration of the sub-project (results-based performance) as agreed in the contract or Letter of Agreement between the organisation and the Government of Bangladesh.

The GMA has discretion for minor deviations from the contracted tranche schedule and disbursement percentages. The Grantee must notify the GMA as soon as possible of any unforeseen interruptions to the investment project timeline. Deviations may depend on issues beyond the control of either party (e.g. supply of machinery) that delay implementation and results achievement of the business plan.

## **5.27 SUPERVISION OF FUNDED PROJECTS**

The Grant Management Team will establish standard project monitoring procedures with all Grantees providing regular (quarterly) technical and financial reports on their investment projects in either English or Bengali. All Grantees will be expected to submit these Reports and

Statements of Expenditure to the PMU/DPD within 15 days of the end of each quarterly period as defined in the contract. The narrative reports will cover:

- progress to date against work plans, agreed performance targets, and indicators;
- issues and problems that have arisen and how these have been addressed;
- progress to date on the environmental and social safeguards compliance monitoring;
- progress on procurement of packages included in the Sub-grant Agreement along with an updated plan targeting completion of entire procurement within the time frame specified in Agreement.
- workplan for the next period with any revisions proposed; and
- a revised budget (within the global limit) where appropriate.

With these progress reports, Grantees will request subsequent grant payments, as per requirement of the contract. This reporting continues for the duration of the research/investment project until all Facility funding has been disbursed.

The DPD/APD of ROs together with the Cluster Outreach Team will visit Grantees at quarterly intervals to review the Grantee's quarterly reports, check whether there are any problems, visit the location of the investment project to confirm the reports and what problems have arisen together with necessary mitigation actions.

ES Safeguards Expert and SECC members will visit the project sites biannually to monitor the environmental and social compliance issues of the sub-project. Grantee will submit environmental and social progress monitoring along with quarterly and final reports. If any issues identified during the visit, the team will report in written to the PD and the GFM and suggest further steps for remedy.

Progress against workplans and expenditure items will be reviewed by the GFM to ensure that the grant claim form is in order and correctly prepared. All grant claims (i.e., requests for delivery of the subsequent tranche as described above) will be reviewed by the GFM and approved before they are passed to the Finance Manager who will then process the grant claim form and manage disbursement.

In the event that the Grant Management Team is not satisfied, provision will be made in the Contract Letter that the GFM is authorised to request further information, visit the project or whatever steps he/she considers necessary to ensure investment project expenditure is in order. If the problem persists, it may be necessary to take alternative action to preserve the integrity of the Facility and its funds. In this event, the Contract Letter will outline that BFMGF reserves the right to request a financial audit of any project at the Grantee's expense.

At the conclusion of each research/investment project, Grantees will submit a Project Completion Report setting out the achievements of the funded investment in terms of its objectives and the overall outcomes that were to be achieved. The research/investment project completion report is an assessment of outcomes and benefits as stated in the Research or Business Proposal and specified in the contract, describes how the sub-project results contributed to BFMGF objectives. The Completion Report will discuss achievements regarding: the research/investment project's outreach to beneficiaries; specific innovations and accomplishments; sustainability and adoption of the innovations; contribution to women or other marginalised groups; income generation; capacity building and other support to beneficiaries such as small-scale growers; knowledge and best practices dissemination (to other growers and businesses); impact on productivity, farm incomes, competitiveness, etc. The completion report does not simply repeat or summarise information already provided in progress reports submitted by the Grantee, but provides a more detailed evaluation of results against agreed indicators and the results framework.

## **5.28 PROGRESS REPORTS**

From the quarterly investment progress reports, the Grant Facility Manager will prepare Quarterly Overall Project Progress Report on the following topics (amongst others):

- a detailed summary of the performance of funded investment sub-projects against their contracted deliverables and outcomes;
- a section on environmental and social safeguards compliance monitoring of the approved sub-projects reviewed by the ESS expert and SECC will be added in the detailed report;
- a financial statement regarding existing disbursements and future commitments;
- enquiries to the Facility;
- EOIs and Business Proposals in process;
- marketing;
- problems and issues encountered with sub-projects, and appropriate resolutions; and
- lessons learned.

In addition to other reports mentioned in this manual, the GFM will prepare on an annual basis:

- a brief workplan highlighting planned activities, events, resource inputs and estimated financial commitments for the coming year; and
- a report on the outcomes of the research/investment project portfolio. This should include measures to address challenges and enhance prospects for portfolio success. These reports will be submitted to the PMU to be forwarded to the Department of Fisheries (DoF) and the world bank.

## **VI. MONITORING AND EVALUATION (M&E)**

The objectives of M&E will be to: 1) improve the efficiency and effectiveness of the Facility, and 2) generate information to disseminate learning and stimulate new investments. Monitoring and evaluation covers the management of BFMGF at two levels of operation: the Facility itself and the individual investments supported by the Facility. The Monitoring and Evaluation will assess:

- the effectiveness and efficiency of Facility operations in terms of portfolio growth;
- progress against the workplan of individual research/investment projects; and
- the impact of BFMGF compared to the results framework (Attachment 1).

### **6.1 M&E OF BFMGF OPERATIONS**

Monitoring BFMGF operations will be achieved through the IGM reports to the PMU. The principal BFMGF operations that require monitoring are:

Indicators, disaggregated by gender and socioeconomic status, to be included in the Monitoring and Evaluation at all levels include:

- number and nature of organisations that register enquiries with the Facility;
- number of EOIs received and the percentage of eligible EOIs;
- number of Applicants invited to develop full Research or Business Proposals;
- number of Research and Business Proposals approved;
- number (and timing) of contracts concluded with Grantees;
- total value of grants awarded;
- number of research/investment projects expected to produce indirect impacts, including system change, replication, scaling up, and behavioural changes in the aquaculture industry;
- successful completion of research/investment projects (and the number of research or investment project failures); and
- number of grievances received regarding grant management.

### **6.2 M&E OF BFMGF-FUNDED RESEARCH AND INVESTMENT PROJECTS**

The Grant Facility Manager needs to ensure that: 1) investments are designed with clear and appropriate indicators and milestones, 2) that the Regional DPD, BDSCMFP and Outreach

Entities conduct early and close monitoring through regular progress reports and field visits, and 3) any problems or irregularities are quickly and satisfactorily resolved. Monitoring Facility-funded projects will be based on the following documents:

- Contracts or Letters of Agreement;
- Quarterly Progress Reports and Completion Reports prepared by Grantees;
- Biannual Environmental and Social Safeguards Compliance Report by Grantees; and
- Post-Project Impact Reports

Examples of measurements that will be included in the Monitoring and Evaluation Strategy include:

- the degree to which targets included in contracts are achieved; and
- the degree to which projects will meet their objectives.

### **6.3 OVERALL IMPACT OF THE BFMGFG**

The evaluation of the effectiveness (impact) of the Facility will be based on demonstrating the extent to which the Facility meets its strategic objectives to:

- leverage private sector involvement in the delivery of Bangladesh's development objectives including employment, better services for growers, and poverty reduction; and
- catalyse private entities in Bangladesh to undertake new and innovative business activities that are market-led and deliver specific commercialisation outcomes.

Indicative indicators of direct impact on growers through more market inclusiveness could include:

- increased productivity,
- increased value addition,
- increased incomes or
- improved resilience of grower livelihoods.

Indirect impacts of BFMGF will also be measured including:

- systemic impacts;
- replication;
- scaling up;
- integration of environmental and social good practices; and
- behavioural change.

Evaluation of the efficiency of the Facility will be based on the FM's reports to the PMU which will include reporting on:

- portfolio/disbursements/possible future commitments;
- enquiries;
- EOIs and Business Proposals in process; and
- marketing (based on the Database).

The World Bank in collaboration with PMU will conduct an independent mid-term and end-of-project evaluation of BFMGF.



## VII. PROCUREMENT ARRANGEMENTS

### 7.1 General

Project Component 2 of the Bangladesh Sustainable Coastal and Marine Fisheries Project (BSCMFP) provides for Sub-grants to small and medium level beneficiaries under the Bangladesh Fisheries Matching Grant Facility (BFMGF).

Beneficiaries will include (i) small-scale coastal shrimp producers who will adhere to BSCMFP organized cluster approach to shrimp farming, and intermediaries and service providers in the production and distribution chains of cultured shrimps; (ii) the shrimp hatchery operators who will invest in BSCMFP endorsed disease-free SPF seed supply; (iii) researchers who will receive support for applied research projects, either on-farm (demonstration or pilot operations) and/or on-station experiments; and (iv) entrepreneurs or companies who receive support for innovations and start-ups along the coastal aquaculture and mariculture value chain, working in association with aquaculture producers.

### 7.2 Applicants for Sub-grants to submit procurement details

Sub-grants will be used by the beneficiaries for various activities including procurement of Goods, Works and Services as per their specific needs. Hence while submitting applications for Sub-grant, Applicants must submit details of procurement activities as per following table.

Procurement PackageName	Estimated Cost (BDT)	Procurement/ Selection Method	Likely date of completion/ delivery

### 7.3 Categories of beneficiaries

For the purpose of compliance with the procurement requirements, beneficiaries are grouped into two broad categories:

(I) Individual Cluster farmers who use the sub-grant for procuring only the individual requirements; and

(II) Cluster or Group of Clusters which use the Sub-grant to procure goods or facilities intended for use of all the farmers in the Cluster or Group of Clusters; and medium or large beneficiaries which undertake procurement for different purposes - like hatchery operators, researchers for applied research projects, entrepreneurs or companies for innovations and start-ups along the coastal aquaculture and mariculture value chain etc.

### 7.4 Procurement Arrangements for Category I beneficiaries

Beneficiaries which are individual farmers as indicated in category (I) in Para 7.3 above may follow normal commercial procedure of procurement provided they follow general principles of economy and value for money.

### 7.5 Procurement Arrangements for Category II beneficiaries

Beneficiaries under category (II) described in Para 3 above, will undertake procurement of Goods, Works and Services following the overall framework of the World Bank's Procurement Regulations for IPF Borrowers, July 2016 revised November 2017. Beneficiaries in this category will use following methods of Procurement.

#### 7.5.1 Requests for quotations

For contract packages valued up to US\$ 30,000 per package, beneficiaries may follow Requests for Quotations-National (RFQ-National) under National Procurement Law of the Borrower.

Beneficiaries may follow Standard Request for Quotation Document (National) for procurement of goods, works and non-consulting services published under the National Procurement Law of the Borrower or Model Request for Quotation Document acceptable to the Bank.

### **7.5.2 National competitive procurement**

Beneficiaries may adopt national competitive procurement for contracts valued above US\$ 30,000. For such procurement, the beneficiaries may use the Model Bidding Documents which are being used by the PMU for all national procurements under the BSCMFP.

### **7.5.3 Direct selection**

Beneficiaries may, for justifiable reasons, procure Goods, Works or Services from only one firm. This method may be appropriate when there is only one suitable firm or there is justification to procure only from such firm.

Beneficiary of a Sub-grant may use Direct Selection Method, if justified, for a Contract package Provided (i) the package is valued not more than US\$ 3,000 for goods procurement and US\$ 5,000 for works procurement; (ii) requirements are not deliberately split to satisfy the threshold for an individual package; (iii) requirements laid down by the Bank in the Procurement Regulations are met; and (iv) prices for the direct contracting shall be acceptable to the beneficiary.

If a beneficiary wishes to use method of Direct Selection beyond the thresholds specified above whether for an individual package under Direct Selection, then before making any such purchases, PMU's prior approval shall be obtained by submitting proper justification covering all packages to be thus procured.

## **7.6 Anti-Corruption Guidelines**

The beneficiaries shall conduct procurement in a manner that ensures highest standards of ethics and integrity. The beneficiaries in general and the Category II beneficiaries in particular shall follow the World Bank's "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016, known as "Anti-Corruption Guidelines". All the potential bidders/ consultants will sign and submit the Bank's Anti-corruption Guidelines Acceptance Letter during submission of bids/ quotations/ proposals.

## **7.7 Prior Review of Contracts**

Procurements to be done by the beneficiaries shall not be subject to Prior Review by the Bank. However, the Bank may review any procurement activity if it is deemed necessary by the Bank.

## **7.8 Procurement Plan**

A beneficiary which is provided a Sub-grant equal to or exceeding US\$ 500,000 equivalent, shall submit Procurement Plan for PMU's approval - indicating estimated costs and methods of procurement for all packages of Goods, Works and Services to be procured before commencing procurement. PMU will provide its approval/no objection within two weeks subject to such safeguards as may be necessary.

## **7.9 Procurement Post Review**

All beneficiaries shall maintain records of procurement of all items until at least two (2) years after the Closing Date of the Sub-Project/Sub-grant Agreement. The PMU will supervise and monitor the procurement activities under the grants. At the end of each year, PMU will conduct a Procurement Post Review (PPR), either by themselves or by hiring an Audit firm following the TOR cleared by the Bank, of all procurements done during a year, on a percentage sample basis. Sample size will be stipulated in the TOR, depending upon the volume of purchases and the level of Procurement risk. PMU will share the Procurement Post Review Report with the Bank, duly indicating the actions suggested.

### **7.10 Training**

PMU will take necessary measures through the field staff and the Service Provider engaged for Shrimp Cluster Mobilization, for providing Procurement training to Category I beneficiaries, that is Shrimp Cluster farmers.

For Category II beneficiaries, Grant Fund Management Team (GMT) will in consultation with the PMU, arrange to conduct one-day training in suitable batches to cover all such beneficiaries. The training will include all activities within the scope of the Grant, and the schedule will cover technical aspects, Environmental and Social Safeguards, and Fiduciary aspects (including procurement).

### **7.11 Progress Report**

Para 5.27 of the Grant Manual requires beneficiaries to submit to the Grant Fund Management Team, Quarterly Progress Reports covering technical and financial aspects. These Reports shall also include progress of procurement envisaged in the Sub-grant Agreement along with an updated plan targeting completion of entire procurement within the time frame specified in Agreement.

## ANNEX-1: INDICATIVE EXPRESSION OF INTEREST FORMAT

1. **Description of the applicant/s (profile):** Provide a brief description of the applicant's organisation (company, research institution, cluster, NGO, CSO), main activity, ownership, experience to date, and personnel. If this is a consortium then each organisation in the partnership needs to provide the same details as the lead agency. Provide evidence of the legal status of the applicant (if applicable).
2. **Project title:** Briefly state the project title.
3. **Location of project:** Site of major investment by agribusiness.
4. **Contact person and address:** Provide the name of the main contact person, including the role of the person as well as the contact details of the applicant (full address, phone number, email address)
5. **Objective:** Provide brief objective of the investment project.
6. **Project description and rationale:** Provide a brief description of the proposed sub-project including, but not necessarily limited to, the rationale for the proposed sub-project and its activity, description of the idea, the main activities to be carried out in the sub-project, the main actors and their respective roles, location of the Applicant and Applicant's current operations, and the location of the Applicant's proposed sub-project and duration. It is important that you demonstrate a good understanding of the current market and the likely impact of the proposed sub-project. Any additional evidence you may provide (agreements, identified markets, etc.) will strengthen your EOI.
7. **Target beneficiaries.** Who are the beneficiaries? How many are they?
8. **Targeted area:** Location of the sub-project implementation (e.g. where beneficiary growers are located – numbers of existing suppliers and new suppliers; area of expansion; etc.)
9. **Inputs:** What are your expected inputs in relation to the objectives and its key activities?
10. **Expected outputs and impact:** Briefly state what are the specific outputs and the expected impact of the proposed project. Provide information on the current and target numbers of smallholders and the benefits to the smallholders (if applicable).
11. **Market analysis:** Analysis of the market potential and linkages of the project. Show the financial benefits of the project.
12. **Timeframe:** The projected timeframe—start and ending. Duration of the sub-project.
13. **Estimated budget:** Provide information on the key inputs required to implement the proposed activities, timeframe, and the budget requirements. The budget should list all the inputs required to implement the sub-project.
14. **Summary cash flow:** Give a brief indication of the cash flow of your organisation's projections.
15. **Matching grant:** Provide information on the size and allocation of the proposed matching grant activity, with emphasis on eligible activities. Provide information and evidence on the applicant's contribution toward the matching grant.
16. **Environmental and Social Screening:** Include a detailed ES screening and mitigation measures/ESMP to be addressed along with the EOI. Additional E&S assessments may be required based on screening and as per national regulations.

Please note that the applicant's contribution must come from internally generated funds (including loans) or equity—BFMGF does not support investment projects that are co-funded by other donors or Government.

Note: The EOI must not be over five pages and must be submitted online or hardcopy to the BFMGF Manager or district offices for screening and approval.

**ANNEX-2. INDICATIVE ASSESSMENT AND EVALUATION CHECKLIST OF EOI**

Criteria	Weighting (%)	Score (out of 10)	Weighted Score
Qualifications of the Applicant	30 (15+15)		
Technical capacity	15		
Financial and managerial capacity	15		
Impact on number of smallholder growers	30		
Sustainability of business	20		
Risk	10		
Environmental and Social Impacts	10		
Total	100		
Comments.			

\*The score shall be out of 10, which will then be converted into a percentage. All organisations scoring above 70 percent will be included for environmental, social and gender technical and commercial screening to formulate a business proposal to obtain a grant.

**ANNEX-3. SCREENING CHECKLIST OF ENVIRONMENTAL SAFEGUARDS FOR RESEARCH PROJECTS**

No	Screening items	Yes	No	Remarks
1	Will there be any laboratory-based research? if no, then go to question No. 6			
2	For laboratory work, does the laboratory have: <ul style="list-style-type: none"> <li>• Environmental, health and safety protocol?</li> <li>• Adequate fire safety provisions?</li> <li>• Safety provisions for handling gas cylinders?</li> <li>• Proper waste disposal facilities?</li> <li>• Adequate liquid waste management?</li> <li>• Proper storage for hazardous chemicals?</li> <li>• Adequate ventilation system?</li> <li>• First-aid facilities?</li> <li>• Emergency exit facilities?</li> <li>• Trained personnel to guide researchers?</li> </ul>			
3	Will the laboratory-based research activities <ul style="list-style-type: none"> <li>• Require procuring hazardous products (WHO class I&amp;II)?</li> <li>• Produce hazardous waste materials?</li> <li>• Generate infectious waste?</li> <li>• Cause harmful gas emissions?</li> <li>• Generate liquid waste?</li> <li>• Cause major noise?</li> </ul>			
4	Has the Applicant received formal training on laboratory safety?			
5	Does the Applicant have previous work experience in the laboratory on similar work?			
6	Will the research work involve field interventions?			
7	Will the field-based research work <ul style="list-style-type: none"> <li>• Be located at or near a sensitive area?</li> <li>• Require procurement of hazardous products (WHO class I&amp;II)?</li> <li>• Discharge any liquid waste into the environment?</li> <li>• Generate hazardous waste?</li> <li>• Impair downstream water quality?</li> <li>• Cause any land or ecosystem degradation?</li> <li>• Cause local air pollution?</li> <li>• Generate excessive noise/ dust?</li> </ul>			
8	Is biophysical, agro-chemical, bio tech research involved?			
9	Will the research have any indirect impact on environment/ ecosystem?			
10	Will the research work require permission/ clearance from any government department/ agency?			
11	Will future expansion/implementation of research findings cause any major environmental problems?			

<b>Signature of the Researcher(s):</b>				
<b>SI No.</b>	<b>Name</b>	<b>Designation</b>	<b>Signature</b>	<b>Date</b>
1.				
2.				
3.				
4.				
5.				
<b>Recommendation of University/ Research Institute/ Laboratory management:</b>				
<b>SL No.</b>	<b>Name</b>	<b>Designation</b>	<b>Signature</b>	<b>Date</b>
1.				
2.				
<b>Comment and Signature of relevant Upazlia and/or District Fisheries Office(s) (in case of field/pilot projects)</b>				
<b>Comment:</b>				
<b>SL</b>	<b>Name</b>	<b>Designation</b>	<b>Signature</b>	<b>Date</b>
1.				
2.				
<b>Signature of the Environmental and Social Safeguard Expert(s) confirming (a), (b), and (c)</b>				
<b>SL.</b>	<b>Name</b>	<b>Designation</b>	<b>Signature</b>	<b>Date</b>
1.				
2.				
a. The form is filled in correctly or not (Please tick $\checkmark$ mark)			Yes <input type="checkbox"/>	NO <input type="checkbox"/>
b. Mitigation measures are satisfactory or not (Please tick $\checkmark$ mark)			Yes <input type="checkbox"/>	NO <input type="checkbox"/>
c. If the mitigation plan is not satisfactory, then please specify your opinion (where necessary):				
A. Is it necessary for the Applicant to prepare an Environmental Management Plan? Check- Yes/No B. Is it necessary for the Applicant to prepare a Social Management Plan? Check- Yes/No C. If yes, provide recommendations and guidance to the Applicant for the preparation of those plans D. If yes, Applicant needs to prepare and include the plan/s in the Research Proposal before approval				
<b>Designation</b>			<b>Signature</b>	<b>Date</b>
Grant Management Authority (PD)				

**ANNEX-4. SOCIAL AND ENVIRONMENTAL SCREENING CHECKLIST FOR INVESTMENT SUB-PROJECTS**

<b>1. General Information</b>	1. Name of Investment (Sub-project name))			
	2. Name of Village			
	3. Name of Union			
	4. Name of Upazila			
	5. Name of District			
	6. Total partners in the sub-project			
	8. Major Investment Type(√/ mark)	New Construction	Reconstruction	
		Rehabilitation/Maintenance	Others (please specify)	
	9. Objective of the proposed sub-project and brief description			
	10. Does the proposed cluster involve all ponds and farmers in the locality/catchment area?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<b>2. Environmental Checklist</b> (Please tick mark in the right place) [If the answers to question # 5, 8, 14, 16, 17, 19 are No' out of question # 1-19 and if the answer to any one of the remaining questions is Yes', the sub-project proposal will be cancelled]	1. Will the implementation of the sub-project interrupt the natural flow of river, canal, wetland or any stream?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	2. Will the implementation of the sub-project increase the possibility of groundwater pollution?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	3. Will the implementation of the sub-project increase the possibility of surface water pollution?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	4. Will the sub-project generate any waste? (if the answer is 'No', Question-5 will not be applicable)	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	5. Is there any waste management plan for the sub-project if it generates waste? (Please include the waste management plan)	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	6. Is there any chance of increasing public health problem by throwing waste into open water bodies?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	7. For rehabilitation of canal, is there any chance to create any problem to water bodies that are used for irrigation for rice field?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	8. Whether 50-70% of the pond dykes will be covered with natural vegetation e.g.viz. green grasses, tower vegetable gardening, mangroves, etc. (specify cost in the budget attached)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	9. Whether there would be any water logging due to the sub-project activities?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
	10. Is there any chance of tree cutting by the implementation of the sub-project? (If yes then please specify the number of trees cutting and mitigation measures)	Yes <input type="checkbox"/>	No <input type="checkbox"/>	



	11. Is there any chance of destruction of biodiversity (fish, birds and animals) habitat by the implementation of the sub-project?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	12. Does the location of the unit have the potential to cause any significant negative environmental impact? (Please attached the list of impacts)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	13. Will the sub-project adopt standard technique of effluent treatment before releasing used water into the natural streams (list the technique attached)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	14. Does the sub-project include adequate provision of link with natural canals/source of saline water?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	15. Will the sub-project culture technique is extensive/improved traditional?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	16. Will the sub-project apply no/certified additional feeding with technical assistance?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	17. Will the sub-project use chemical fertilizers?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	18. Does the sub-project have a pocket nursery to acclimatize the post larvae before it releases to the main ghers/ponds?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	19. Mitigation measures		
<b>3. Social Impact Part</b> (Please tick mark in the right place) [If the answers to questions # 11, 12, 13,14 are No' out of question # 1-14 and If answer to any one of the remaining questions is Yes', except 9 & 10 the sub-project proposal will be cancelled. Preference may be given during evaluation to sub-project with the answers 'Yes' for the question 9 & 10]	1. Is there any chance of land acquisition from the public for the implementation of the sub-project?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	2. Is there any chance of destruction of homestead land?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	3. Is there any chance of resettlement of people living on government land for the implementation of the sub-project?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	4. Is there any chance of loss of employment of people or lower the living standard because of implementation of the sub-project?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	5. Is there any chance of destruction of cultural tradition of people?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	6. Does any area of the farms built on encroached areas viz. river levees, accredited chars, planted or natural mangrove patches or in illegally occupying or have legal disputes?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	7. Does the cluster farm include any agriculture land that unwillingly brought under the sub-project?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	8. Does the cluster farm or any of its ponds/ghers have any kind of social conflicts or past incidence of Gender Based Violence (GBV)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

	9. Does the sub-projector cluster farm include ponds owned by women headed family, ethnic communities and/or disabled people?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	10. If answer to 9 is yes, does the sub-project or cluster farm application include proper discussion and agreements with women headed family, ethnic communities and disabled people?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	11. Will the sub-project take appropriate measures to comply with standard occupational health and safety risks management facilities? (Proposed budget should reflect cost for measures to be taken)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	12. In case, the sub-project farm has appointed external migrated labour, does the cluster have labour influx management plan? (Please include)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	13. Does the sub-project have contractual operational procedure for labour engagement? (Please include)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	14. Does the sub-project have contractual operational procedure for labour engagement? (Please include)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	15. Mitigation measures		
<b>Other Information (if any)</b>			

- A. Is it necessary for the business to prepare an Environmental Management Plan (EMP)?  
Check- Yes/No
- B. Is it necessary for the business to prepare a Social Management Plan (SMP)?  
Check- Yes/No
- C. If yes, provide recommendations and guidance to the applicant for the preparation of those plans
- D. If yes, business needs to prepare and include the plan/s in the Business Proposal before approval of the Grant Application.

<b>Signature of the Sub-project proponent(s):</b>				
SI No.	Name	Designation	Signature	Date
1.				
2.				
3.				
4.				
5.				
<b>Recommendation of Upazila Fisheries Office and/or District Fisheries Office, Department of Fisheries:</b>				
SI No.	Name	Designation	Signature	Date
1.				
2.				

The form is filled in correctly or not (Please tick $\surd$ mark)		Yes <input type="checkbox"/>	NO <input type="checkbox"/>
Mitigation measures are satisfactory or not (Please tick $\surd$ mark)		Yes <input type="checkbox"/>	NO <input type="checkbox"/>
If the mitigation is not satisfactory, then please specify your opinion (where necessary):			
<b>Signature of the Environmental and Social Safeguards Expert(s), SCMFP</b>			
<b>SL</b>	<b>Name</b>	<b>Designation</b>	<b>Signature</b>
<b>Risk Category of the Sub-project</b> (Please tick $\surd$ mark in the right place) Red = high risk; Orange -B = medium risk; Orange -A = low risk; Green = no risk		Red <input type="checkbox"/>	Orange-B <input type="checkbox"/>
		Orange-A <input type="checkbox"/>	Green <input type="checkbox"/>
The form is filled in correctly or not (Please tick $\surd$ mark)		Yes <input type="checkbox"/>	NO <input type="checkbox"/>
Mitigation measures are satisfactory or not (Please tick $\surd$ mark)		Yes <input type="checkbox"/>	NO <input type="checkbox"/>
If the mitigation plan is not satisfactory, then please specify your opinion (where necessary):			
<b>Designation</b>		<b>Signature</b>	<b>Date</b>
Grant Management Authority (PD or his/her designate))			

## ANNEX-5. INDICATIVE BUSINESS PROPOSAL FORMAT

**1. Introduction:** Why, how, and what is the Business Proposal for?

**2. Investment Project title:** Provide a project title.

**3. Contact person and details:** Name of the main contact person, including the role of the person and the contact details of the applicant (full address, phone number, email address). If this is a consortium, then this person will be the representative for discussions and, if successful, signature on the contract with the Government of Bangladesh.

**4. Applicant's profile:** Provide a description of the Applicant's current business and its main activities, ownership status (with evidence), financial status (evidence), experience to date, and operational structure. Provide evidence of the legal and ownership status of the applicant. Details need to be provided for all organisations included in any consortium bids.

**5. Investment Project objective:** Clearly state the investment project's objective and possible indicators of performance during implementation of the investment project.

**6. Investment Project description:** Describe the rationale for the proposed investment project, the implementation strategy, including activities, actors and their roles (lead and collaborators); partnership arrangements; the location with details of land ownership and current use; and project duration. Submit supporting evidence (SPF hatchery applicants should include sketches or drawings of their proposed layout on-site and building plans).

**7. Business plan:** Describe the business plan, including a brief description of the business idea, market analysis (current market, demand analysis, competition analysis, customer base, and agreements), the estimated cash flow (five years), and action taken to address the risks. Provide rationale for and description of the activities of the investment project. Submit any supporting evidence on the above agreements, market, and cash flow. Include your financial analysis which backs your decision on why this project shows financial viability and should be funded. This should include such analysis as the break-even analysis, project/beneficiaries cost ratio, etc. Also indicate whether the Applicant is borrowing from a financial institution or other funding source and the size of the loan, repayment rates etc. Include a statement on the environment in relation to the project, i.e., environmental impact, risks, mitigation strategies, etc. *(This is mandatory for large-scale projects and any Business Proposal dealing with agrochemicals).*

**9. Expected impact:** Describe the expected impact of the investment project. Provide information on the current and target numbers of beneficiaries (e.g. semi-intensive growers), the actual benefits to the beneficiaries, and costs per beneficiary. Also, describe the Applicant's support to growers who will supply or buy produce from the business and the ongoing costs on a timeline.

**10. Environmental and Social Screening:** Describe environmental and social screening of the proposed business plan including major environmental and social issues identified, and develop ESMP to mitigate potential negative impacts of the sub-project, if any.

**11. Budget and the proposed matching grant:** Provide information on the size and allocation of the proposed matching grant activity, with emphasis on eligible activities. The below format is a guide only to show each activity's expenditure, and Applicant's can use their own formats to describe their budget expenditure. The Budget shall be quoted in Taka. If converting costs from foreign currency, then indicate the exchange rate utilised for all calculations in the budget. It is important to submit information and evidence on the Applicant's own contribution toward the BFMGF matching grant. For clusters, the budget needs to clearly indicate expenditures for cluster-level infrastructure costs and individual grower costs.

Project Title:				
Item	Cost (Taka)	Budget Contribution		
		Grant	Applicant	Comments
<b>Total</b>				

Phasing of expenditure over the duration of the investment project (e.g. years, months, quarters) needs to be also included in the budget and clearly indicating the expenditure of the grant and Applicant's own contribution to the investment project.

Line (Taka)	Item	Year-1		Year-2		Year-3		Year-4		Total	
		Grant	Self	Grant	Self	Grant	Self	Grant	Self	Grant	Self
Total											

**12. Procurement details:**

Sub-grants will be used by the beneficiaries for various activities including procurement of Goods, Works and Services as per their specific needs. Hence while submitting applications for Sub-grant, Applicants must submit details of procurement activities as per following table.

Procurement Package Name	Estimated Cost (BDT)	Likely date of completion/ delivery

**13. Supervision and monitoring arrangements:** The Applicant must indicate in the proposal how the Applicant plans on supervising and monitoring (including environmental and social safeguard compliance monitoring) the proposed activities. In order to facilitate investment project monitoring, the activities, the expected outputs, milestones and the associated indicators of success (i.e., how to know that activity has been successfully implemented) should be stated, using the format below. The indicators are expected to be linked to the original investment project activities and how many beneficiaries the activity expects to impact over time. Approved investment projects will develop monitoring and evaluation arrangements with the help of the Facility Management team, which will enable these indicators and outputs to be regularly monitored.

Activity Description	Start Date	End Date	Indicator

Attach copies of legal Registration, Title, Ownership, where applicable, drawings, maps, evidence of the Marching Grant-Counter Part Funding, etc., to support the Business Proposal

NB: The Facility Manager shall, where necessary, provide Technical Assistance to viable innovative EOIs that may require further development to become bankable Business Proposals. Information on progress and processes shall be communicated regularly to the Applicant. All Applicants should be ready for a field appraisal when requested.

Signature block  
Name, date.

(if a consortium of organisations then representatives from each consortium partner need to sign the proposal).

## ANNEX-6. INDICATIVE RESEARCH PROPOSAL FORMAT

**1. Introduction:** Why, how, and what is the Research Proposal for? Justification for this research.

**2. Project title:** Provide a project title.

**3. Coordinator/Principal Investigator:** Name of the main contact person (Applicant), including the role of the person and the contact details of the Applicant (full address, phone number, email address). If this is a consortium, then this person will be the representative for discussions and, if successful, all parties will sign the contract with the Government of Bangladesh.

**4. Applicant's profile:** Provide a description of the Applicant's current research institution and its main activities, public/private status, financial status (evidence), experience to date, and operational structure. Provide evidence of the legal and ownership status of the Applicant (if applicable). Details need to be provided for all institutions/organisations included in any consortium bids.

**5. Co-Principal Investigator(s):** Proponent Institutions/Collaborating Institutions including position, address, email, telephone number

**5. Research Project objective:** Clearly state the research project's objective and possible indicators of performance during implementation of the research.

**6. Research Project description:** Describe the rationale for the proposed research project, the implementation strategy, including activities, actors and their roles and responsibilities (lead and collaborators); partnership arrangements; the location; and project duration. Submit supporting evidence.

**7. Baseline information:** describe what is available, and if insufficient, describe baseline survey following research commencement.

**8. Research plan:** Describe the research plan, including a brief description of the research idea, market analysis (current market, demand analysis, competition analysis, customer base, and agreements), the estimated cash flow (five years), and action taken to address identified risks. Provide rationale for and description of the activities of the research project. Include your financial analysis which backs your decision on why this project should be funded that could include such analysis as the break-even analysis, project/beneficiaries cost ratio, etc where applicable. Include a statement on the environment in relation to the project, i.e., environmental impact, risks, mitigation strategies, etc. (*This is mandatory for large-scale projects and any Business Proposal dealing with agrochemicals*).

**9. Expected impact:** Describe the expected impact of the research project. Provide information on the current and target numbers of beneficiaries (e.g. semi-intensive growers), the actual benefits to the beneficiaries, and costs per beneficiary. Also, describe any support from the Applicant to beneficiaries and the ongoing costs on a timeline.

**10. Environmental and Social Screening:** Develop detailed environmental and social screening matrix of the proposed business plan including major ES issues identified, potential impacts and develop ESMP, if required for the sub-project.

**11. Budget and the proposed matching grant:** Provide information on the size and allocation of the proposed matching grant activity, with emphasis on eligible activities. The below format is a guide only to show each activity's expenditure, and Applicant's can use their own formats to describe their budget expenditure. The Budget shall be quoted in Taka. If converting costs from foreign currency, then indicate the exchange rate utilised for all calculations in the budget. It is important to submit information and evidence on the Applicant's own contribution toward the BFMGF matching grant.

Project Title:				
		Grant	Applicant	Comments

Total				
-------	--	--	--	--

Phasing of expenditure over the duration of the research project (e.g. years, months, quarters) needs to be also included in the budget and clearly indicating the expenditure of the grant and Applicant's own contribution to the investment project over the duration of the research project.

Line Item (Taka)	Year-1		Year-2		Year-3		Year-4		Total	
	Grant	Self	Grant	Self	Grant	Self	Grant	Self	Grant	Self
Total										

## 12. Procurement details:

Sub-grants will be used by the beneficiaries for various activities including procurement of Goods, Works and Services as per their specific needs. Hence while submitting applications for Sub-grant, Applicants must submit details of procurement activities as per following table.

Procurement PackageName	Estimated Cost (BDT)	Likely date of completion/ delivery

**13. Supervision and monitoring arrangements:** The Applicant must indicate in the proposal how the Applicant plans on supervising and monitoring the proposed activities. In order to facilitate investment project monitoring, the activities, the expected outputs, milestones and the associated indicators of success (i.e. how to know that activity has been successfully implemented) should be stated, using the format below. The indicators are expected to be linked to the original investment project activities and how many beneficiaries the activity expects to impact over time. Approved investment projects will develop monitoring and evaluation arrangements with the help of the Facility Management team, which will enable these indicators and outputs to be regularly monitored.

Activity Description	Start Date	End Date	Indicator

NB: Information on progress and processes shall be communicated regularly to the Applicant. All Applicants should be ready for a field appraisal when requested.

Arrangements for procurement of goods and services need to be included in the proposal. The Applicant should contact the PMU's procurement personnel for assistance. PMU will need to approve procurement of all capital goods.

Signature block  
Name, date.

(if a consortium of organisations then representatives from each consortium partner need to sign the proposal)

**ANNEX-7. INDICATIVE ASSESSMENT AND EVALUATION CHECKLIST OF BUSINESS PROPOSALS**

No	Criteria	Indicator	Ranking Guide	Score
<b>A.</b>				<b>Max</b>
<b>Economic</b>				
1	Market Potential	1.1 Target market(s) identified and sales estimates provided	Target markets identified	5
			Sales estimates provided	5
			Neither included	0
		1.2 Target market(s) affirmed	Specific buyers identified (named?)	5
			Support letters from potential buyers	5
			Neither included	0
2	Feasibility	2.1 Does the business plan cover all aspects described in guidelines in sufficient detail?	Yes	5
			No	0
		2.2 Financial projections (revenues and expenses) provided	Yes	5
			No	0
		2.3 Business financially sound and technically competent to complete the investment	Yes	5
			No	0
3	Financial Capacity of Applicant	3.1 Matching grant contribution	Self-funded	5
			Partial loan	3
			Full loan	1
		3.2 Activities costed for duration of investment	Yes	5
			No	0
		3.3 Beneficiary support	Full package described and costed	10
			Partially described and costed	6
			Noted but lacking sufficient details	2
4	Risk	4.1 Risk Analysis	Described with management plan	5
			Partial description	2
			Not included	0
Maximum Score/ weighting				55 45%
Score				
Comments				

No	Criteria	Indicator	Ranking Guide	Score
<b>B.</b>				<b>Max</b>
<b>Social</b>				
5	Potential Social Impact	4.1 Number of beneficiaries	> 1000	20
			500 – 1000	14
			< 500	10
		4.2 Number of jobs created	> 20	10
			5 – 20	5



			< 5	3	
			0	0	
		4.3 Land acquisition and resettlement	Yes	0	
			No	5	
Maximum Potential Score/ weighting				35	25%
Score					
Comments					

No	Criteria	Indicator	Ranking Guide	Score	
C.	Environmental			Max	
6	Environmental impacts	5.1 None or positive impacts identified	Yes	5	
			No	0	
		5.2 Viable mitigation strategies identified for adverse impacts	Yes	5	
			No	0	
Maximum Potential Score/ weighting				10	10%
Score					
Comments					

No	Criteria	Indicator	Ranking Guide	Score	
D.	Organizational				
7	Legal Status of Applicant	6.1 Registration status	Registered	5	
			Registration in process	3	
			Not registered	0	
8	Organisational capacity to implement and monitor project	7.1 Level of experience of applicant in selected industry	Established > 3 years	5	
			Established < 3 years	3	
			Start-Up	1	
		7.2 Investment project action plan clearly defined	Yes	10	
			No	0	
Maximum Potential Score/ weighting				20	20%
Score					
Comments					
<b>Business Proposal Overall Score</b>					
Maximum Possible Total Score				120	100%
Total Score (Sum A, B, C, D weighted scores)					
Comments and Recommendations					

**ANNEX8. INDICATIVE ASSESSMENT AND EVALUATION CHECKLIST OF ACTION RESEARCH PROPOSALS.**

No	Criteria	Indicator	Scoring Guide	Max Score (out of 100)	Weighted Score
<b>A. TECHNICAL</b>					
1.	Innovativeness	Are the activities innovative in nature?		20	
2.	Technical Quality	Is the proposal technically sound?		20	
3.	Qualification of the applicant:			10+10 = 20	
	• Technical capacity	Is the he applicant and proposed human resources technically capable?		10	
	• Resource allocation	Are sufficient resources (human, financial, land and facilities) allocated for the sub-project?		10	
4.	Organisational Capacity and Partnership arrangements:	Quality of the partners and arrangements		10	
		Capacity to implement and monitor project		10	
5.	Impact and Sustainability				
	• Impact on smallholders	Likelihood for long term impact on helping smallholders commercialize		10	
	• Impact on export economy	Likelihood for long term impact on boosting value addition and export		10	
Maximum Potential Score/ weighting				100	50%
Total Score					
Comments					
No	Criteria	Indicator	Scoring Guide	Max Score (out of 30)	Weighted Score(%)
<b>B. Social</b>					
	Potential Social Impact	Number of beneficiaries	> 1000=10 500-1000=8 < 500=5	10	
		Number of local jobs created	>10 = 10 5 – 20 = 5 < 5 = 3	10	
		Land acquisition and resettlement	YES = 0 NO = 10	10	
Maximum Potential Score/ weighting				30	15%
Total Score					
Comments					

No	Criteria	Indicator	Scoring Guide	Max Score (out of 10)	Weighted Score (%)
<b>C. Environmental</b>					
	Environmental impacts	• Significant positive impacts identified?	Yes = 5	5	
			No = 0	0	
		• Viable mitigation strategies identified for adverse impacts	Yes	5	
			No	0	
Maximum Potential Score/ weighting				10	15%
Total Score					
Comments					

No	Criteria	Indicator	Weighting Guide	Max Score (out of 100)	Score
<b>D. Financial Assessment</b>					
1	Financial Viability	Are cost assumptions sensible?		30	
2	Financial viability	Are revenue assumptions sensible?		20	
3.	Applicant's financial capacity	Is the applicant (or organization) financially sound?		15	
4.	Resource allocation	Are sufficient (including matching resources allocated for the sub-project?		15	
5.	Impact and sustainability	Sensibility of costs and activities vs. number of beneficiaries could potentially adopt the technology or benefit from the knowledge?		20	
Maximum Score/ weighting				100	20%
Total Score					
Comments					

<b>Action Research Proposal Overall Score</b>		
Maximum Possible Total Score	240	100
Total Score (Sum A, B, C, D weighted scores)		
Comments and Recommendations		

**ANNEX-9. BFGMF RESULTS FRAMEWORK**

Result	Indicator	Information
To improve market inclusivity (market access) for smaller-scale growers.	<ul style="list-style-type: none"> <li>• Number of participating enterprises that increase their turnover (sales)</li> <li>• Increase in the value of sales/grower value-added/increase in the quality of produce of growers engaged in partnerships</li> <li>• Number of participating enterprises functioning as registered business entities one year after final disbursement.</li> <li>• Number of direct jobs created in rural communities receiving sub-project assistance.</li> <li>• Percent of sub-projects that achieve their expected results for improvement in selected value chains.</li> </ul>	These indicators will help assess the extent to which the activities of the project result in improved market-based opportunities and local economic development in the fisheries sector.
Enterprises and clusters enhance their operations through grants provided through a transparent and competitive process	<ul style="list-style-type: none"> <li>• Number of enterprises and clusters that have been selected competitively and have started (or enhanced) their operations</li> <li>• Percent of cluster and enterprise participants who are: <ul style="list-style-type: none"> <li>○ youth (&lt;30 years old)</li> <li>○ women</li> </ul> </li> </ul>	Assess implementation progress of investment projects. Ensure that marginalised groups are included in funded sub-projects.
Key infrastructure, marketing and management are enhanced in the selected value chains	<ul style="list-style-type: none"> <li>• Number of beneficiaries (individuals or businesses) benefiting from improved infrastructure and management</li> <li>• Number of beneficiaries (individuals or businesses) benefiting from improved marketing systems</li> <li>• Number of beneficiaries (individuals or businesses) benefiting from improved management systems</li> </ul>	Assess implementation progress of sub-projects
Increased number of enterprises and clusters that promote environmental and social sustainability.	<ul style="list-style-type: none"> <li>• Number of enterprises and clusters integrating environmental and social good practices into their business operations</li> <li>• Percent of participating enterprises and clusters integrating business contingency planning in their operations</li> </ul>	Determine if the Sub-projects are environmentally and socially sustainable