

**Third Party Evaluator's Opinion on
AREA COVERAGE RURAL ELECTRIFICATION PROJECT (PHASE IV-C)**

Quazi Md. Obaidul Munim
Ex. Member Generation,
Bangladesh Power Development Board (BPDB)
Bangladesh

Relevance:

In view of the policy of the Government of The Peoples Republic of Bangladesh (GOB) as projected in the Forth Five Years Plan, the project under study is still in high priority. Though the source of electrical power is outside the scope of the project, but the impact, effectiveness, sustainability and the overall efficiency of the project are dependent on it as it is one of the main criteria for successful implementation of the project. Hence question of sustained and reliable power supply should not be overlooked in final assessment of the project.

Power generation scenario in Bangladesh is still critical and possibility of going even worse in coming years can not be ruled out due to ineffective policy and indecision of the GOB. Situation is not likely to change until some new power stations are commissioned through the loans from ADB and World Bank within 2 – 3 years.

During 1996 and 2004-2006, GOB allowed construction and operation of small power stations in private sector. Few PBS under REB took advantages of this policy and build their own generation through private sector rendering benefit to them and their clients. They have entered into new extension contract with the companies for further extension of the existing power stations.

Commercial and agricultural growth as indicated in different tables in the project area shows a positive improvement in the conditions of the beneficiaries.

Hence the project is still highly relevance as per Poverty Reduction Strategy Paper (PRSP) of GOB.

Impact:

As can be seen from the data tables provided with the field survey report, September 2005, March 2006, this project has considerably improved the agricultural production under this project area. Operation & maintenance cost along with saving due to transportation of fuel and man-hours spend thereby have considerably reduced. The farmers are having more time to concentrate to asses their out put in the irrigation and agricultural sector and develop their ways and method to judge the implementation of more modem techniques in agricultural sector and daily life. Total irrigation area under the project zones have increased considerably along with agricultural production too. Apart from irrigation/agricultural facilities, the project has opened ways and means to different cottage industries such as development of small scale of poultry / husking mills / hatchery firms, opened ways for doing embroidery and tailoring options to the local housewives to earn additional income to the family. Development of small industries like small cold storages, production of potato chips etc can be foreseen. Production plant for processing of maize, major crops in the north-western zone of the country may also come in future through private sector. All these have and will contribute in developing additional job opportunity there by providing increased financial support to the family. Supply of electricity in the project area has already made an impact on communication, news and entertainment media such as television etc. to local people. Additional income through shops and other commercial entity due to longer hours of transaction have added income and opened new job opportunity. If sustained and reliable power supply can be assured, internet service provider in private sector can come forward to extent the service in the locality in near future. With increased income, parents will like to invest more to their children for their better education, knowledge and opportunities to understand the world with modem technology. Impact of the project on the local people has already proved positive and would have been excellent if reliable power supply would have been ensured. REB & PBS should think about it and small private generation can be considered as an option which has proved effective to other PBS of the country.