

# Fiscal Governness Project

## Implemented by: USS, Nilphamari & Supported by: Actionaid Bangladesh

### 1: PROGRAMME OBJECTIVE PLAN

#### 1. The Strategic Objective

The strategic objective of Right to Just and Democratic Governance from AAB Country Strategy 2012-17, strategic priority 2: **‘to promote and establish pro-poor and inclusive governance’**.

#### 2. Our approach

Human Rights Based Approach (HRBA) is the core philosophical standpoint that AAB has been applying to bring positive changes in the lives of people living in poverty. Right to Just and Democratic Governance strategic priority of AAB will diligently adopt the theory of change in order to achieve quality, equity of access, and gender responsiveness of public services and also would contribute to establish a fair redistribution of resources through effective financing for public policies. Different participatory tools and approaches like ELBAG, Social Audit, Public hearing and Reflection-Action will be used to create conscientisation among grassroots people especially the women. A dialogical process will be initiated through reflection action process that would ramble around gender responsive public service, adequate financing and tax justice issues.

#### 3. Context analysis / rationale

Bangladesh is among the poorest countries in world in terms of GNP per capita (approximately 848 US dollars<sup>1</sup>). However, in terms of the Human Development Index (HDI) it fares somewhat better and is placed as country number 147 out of 177 2013 (UNDP, 2013). During the past decade there has been some improvement in the poverty situation of the country. Yet 31,5 per cent of the population were living in poverty in 2013 (UNDP, 2013).

After the liberation war, Bangladesh proclaimed a secular democracy through the establishment of an independent, sovereign People’s Republic of Bangladesh. The country faced decades of poverty, famine, political turmoil and numerous military coups that hindered the steady growth of democracy till 1990. In 1991 the country achieved democracy from military rule in the epic of mass movement. Since then, four successive national elections were held under the democratic setting from 1991 to 2009. Despite of having successive election, the country is facing governance deficit in many areas including citizenship, rule of law, accountability of public service delivery and decentralization on budgetary system. The characteristic of weak legislature, executive members’ influence over the judiciary, deteriorating law, absence of rule of law along with the institutionalization of corruption has made the system fragile. Under certain circumstances, the state of affairs essentially had a negative impact on the poor and marginalized people which incurred due weak governance apparatus.

Moreover, the role of external influence over the national policy has been found extremely sturdy. In the name of assistance and development partnership, development partners are pushing their agendas on the government to enact new policies in favor of their interest. Since 1990’s, the agenda of economic reform has come across in Bangladesh which had created negative impact on the national fiscal governance makeup. The budgetary process is very much centre dependent and people’s participation in the planning and

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<sup>1</sup> UNDP accessed april 2014: <http://www.bd.undp.org/content/bangladesh/en/home/countryinfo/>

budgeting process is almost absent. Furthermore democratic practice in ascertaining national development plans and priorities are quite blurred and to some extent influenced by the executive branch of the state. As a result, it is evident that people's development aspiration is neglected due to weak statutory arrangements in the country. However, the poverty assessment report<sup>2</sup> of World Bank has shown a clear growth in the country's GDP (6 to 7%) but in reality the gaps between poor and rich has also been widening every day. People's basic entitlements are neglected in many ways. As a result allocation of national budget in key public services has been shrinking every year.

### **Description of the structure of local governance in Bangladesh**

The story of the evolution of the local government system in Bangladesh is in many ways similar to that of India and Pakistan as all three countries share a common history. Local governments in one form or another have been in existence in the Indian subcontinent for centuries. During almost two hundred years of British rule (1765-1947) over the Indian subcontinent, a number of experiments were made with the local government system. All the experiments were intended to devise a system that would serve British imperial interests. The major objective of the British in India was twofold: maximization of land revenue collection and maintenance of law and order. Naturally, the British as an imperial power had little understanding of, and interest in, indigenous local self-governing institutions. In 1870, however, the Village Chowkidari Act in Bengal established union Panchayats to collect tax in order to maintain Chowkidars (village police). Since independence in 1971, a number of attempts have been made to tinker with the local government system in Bangladesh. While changes have been made from time to time in terms of the arrangement of tiers of local government, almost nothing has been done to strengthen them. Therefore, the structure of the local government system has remained more or less unchanged.

Immediately after independence, the name of the Union Council was changed to Union Panchayat and an administrator was appointed to manage the affairs of the Panchayat. The name of Thana Council was changed to Thana Development Committee while the District Council was named Zila Board or District Board. Again in 1973, Union Panchayat's name reverted to Union Parishad. A more significant change in the local government system was brought about in 1976 through the Local Government Ordinance. This ordinance provided for a Union Parishad for a union, a Thana Parishad for a Thana and a Zila Parishad for a district. The Union Parishad comprised one elected Chairman and 9 elected members, two nominated women members and two peasant representative members. The Thana Parishad consisted of the Sub-Divisional Officer being the ex-officio Chairman, the Circle Officer and a Union Parishad Chairman. The Zila (District) Parishad was to consist of elected members, official members and women members whose numbers were determined by the government. Its term of office was five years. However, no elections were held and government officials ran the Parishad. Deputy Commissioner was the ex-officio Chairman of District board and Divisional Commissioner was the ex-officio Chairman of Divisional Development Committee. In 1980, as a result of an amendment to the Local Government Ordinance, the Swanirvar Gram Sarker (self-reliant village government) was introduced at the village level. It was later abolished by a Martial Law Order in July 1982. A major change was also initiated in the local government system through the introduction of the Local Government Ordinance in 1982 (Upazila Parishad and Upazila Administration Reorganization). This Ordinance was followed by the Local Government (Union Parishad) Ordinance in 1983, the Local Government (Zila Parishad) Act in 1988 and the three Hill Districts Acts and Palli Act in 1989. The Upazila Parishad Ordinance (1982) was particularly significant as this was supposed to help implementation of the decentralization programme of the government. In the Upazila System (as it came to be known), the (directly) elected Chairman would have the principal authority in running the affairs of the Upazila, his tenure being five years. The Upazila Nirbahi Officer would be subservient to the Chairman. Zila Parishad Act-1988 was replaced by Zila Parishad Act-2000.

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<sup>2</sup> Poverty Assessment: Assessing a Decade of Progress in Reducing Poverty, 2000-2010, report by world bank

At present Bangladesh have two types of local government systems: No 1 is urban local government system. In Bangladesh the urban local government is mainly run by Pourasava and City Corporation. The Pourasava's are mainly located in the city areas which are run by a Mayor and councillors. In metropolitan cities (big cities) the local government is termed as City Corporation. Each city corporation has 20 to 30 wards which are led by elected people's representatives. These people's representatives are known as ward councillor. Each city corporation has one Mayor who is responsible to coordinate urban local government's activities. No 2 is rural local government system. Rural local government system has three tiers: (a) Union Parishad (b) Upazila Parishad (c) Zila Parishad.

### **Union Parishad:**

Union Parishad is the oldest and lowest local govt system. It has been functioning for more than hundred years for the rural development of the country. At present Bangladesh has 4,480 Union Parishad. Union parishads are run directly by elected representatives. Its roles and representatives are guided by different levels, rules and circulars. The union Parishads is mainly run by Union Parishad act 2009.

Union Parishad is the lower tire of local government structure of Bangladesh. Union Parishads are autonomous in nature. Each Union Parishad is responsible to develop their yearly plans and budget by organizing an open budget session. Union Parishad's are also liable to provide services to the village people. Union Parishad's has the right to collect local taxes from the people. In addition, some central government line ministries also allocate grant support to Union Parishad to provide public service to the communities.

### **Structure of Union Parishad:**

#### *People's representatives*

1. Chairman: There is a chairman in each Union Parishad who is directly elected by the voters of the Union.
2. Members: Each Union Parishad has nine members. All members are directly elected from the nine wards constituting the Union.
3. Women members: Three seats are reserved for women in each Union Parishad. Each of the women members are directly elected by the male and female voters of three wards within a Union.

#### *Government line ministry wise officers*

1. Official members: The Block Supervisor (Directorate of Agriculture), Health Assistant, Family Planning Assistant, Family Welfare Worker, Ansar/VDP and all other field staff of government departments working at Union level are the official members of Union Parishad. They do not have voting rights.

### **Structure of Upazilla Parishad:**

The Upazilla Parishad is the second tire of local government structure of Bangladesh. Each Upazilla Parishad has one Chairman and two vice chairman's. In addition, all Union Parishad's under the Upazilla Parishad are the members of the Upazilla Parishad. In Bangladesh the Upazilla Parishad is also known as sub-district. Each Upazilla Parishad plays a coordination role to implement government projects in the communities and villages. Upazilla Parishad also develops a 5 years plan to implement development activities in the communities.

### **Structure of Zila Parishad:**

In Bangladesh the Zila Parishad is more or less inactive in nature. As per act, there would have a public representative at Zila Parishad but now the structure is not working. At present there are no people's representatives in the Zila Parishad's in Bangladesh.

#### 4. Problem Analysis

As many other developing countries Bangladesh suffers from weak state institutions and lack of administrative capacity in the public sector. The budgeting and planning system is highly centralized and people's participation is mostly unseen. Though the state has been following parliamentary democracy but due to unclear role clarification, people's representatives always remain passive in devising people led policy instruments. There is limited or no space for the people's representatives to raise people's concerns in public policy development process. In this circumstance, people's aspirations are mostly denied by the parliament. This is to be noted here that parliamentarians are the people's representatives where Union Parishad Chairman, Upazilla Parishad Chairman and Zila Parishad Chairman's and councillors are also people's representatives in the context of local government in Bangladesh.

Policy decisions are led by bureaucrats who do not allow people to take part in the planning. Moreover, lack of accountability and transparency among government institutions also creating delinquent in public service delivery. As a direct consequence of these malpractices, the government has become incapacitated in its ability to provide adequate and quality public services such as education and healthcare at local, district and national levels. This has, in turn, had further impact on the livelihood and well being of people living in poverty and increased burden on the poor and marginalised. Moreover, Bangladesh's heavy reliance on regressive, indirect taxation for generating revenue coupled with unfair distribution of income has further worsened conditions for the poor. The prevalence of discriminatory taxation policies favours the interests of higher income groups over those of common people and have resulted in systems that legitimatise and institutionalise poverty. Bangladesh's adherence to a FDI-led, growth-led trickle-down policy for poverty reduction is contestable when the country constantly experiences revenue losses as a consequence of tax dodging by as well as tax incentives provided to Multi-National Corporations (MNCs). The result is inadequate access to public services by the poor at the same time as they face an increased tax burden due to rising levels of value added tax.

The public service delivery in Bangladesh is mainly operated by the local government institutions. The state has independent local government bodies at sub district (Upazilla Parishad) and Union Parishad levels (lower tier of government). The local government institutions are the primary sources of public services for the communities but in most of the cases they cannot act properly in providing adequate services. This is happening because of lack of resources in comparison to the community demand and because of corruption in service delivery. People remain excluded in local level planning and budgeting process. They often don't get the information about the state of public services of their local government institutions. The local people's representatives lack the accountability in expressing the allocation of budget and action plan to the public. The people are paying tax but in return they don't get quality public services form the local government institutions. People always remain unaware about their tax money, how and where it has been spent. In addition, the share of central budget to local government intuitions is very low. The local government bodies do not get a fair share of national budget for their development work. Interestingly the countries development budget which is called Annual Development Programme (ADP) budget is not distributed in an accountable manner. Each year government fails to utilize the ADP because of weak administrative structure. This has been creating negative impact on local level public service delivery in Bangladesh.

**Baseline information:** ActionAid Bangladesh has conducted a baseline in selected LRPS in 2012. Following are some key findings that came out from the survey findings. The baseline data will gives a clearer understanding about the state of governance of local and national institutions.

- **The state of public service at local government institutions:** Though Union Parishad – UP (lowest tier of government) has several functions to improve the socioeconomic conditions of rural areas, many respondents do not have a clear idea of UPs services in this regard. Also, it was found that some services

that respondents think within the purview of UPs are not actually provided by the UP. According to the respondents, major functions of UPs are: construction of roads/bridges, distribution of food (rice, wheat etc.), distribution of Vulnerable Group feeding (VGF) and Vulnerable Group Development (VGD) card, birth and citizenship certificates, relief and rehabilitation work, distribution of government allowances, dispute resolution, health services etc. More than 50 percent respondents from most of the LRP areas had raised, informed and discussed their problems with Union Parishad (UP) members. The survey, however, found that only a part of the problems were actually solved by UPs. Some respondents said that UP could not solve their problems as UP has limited resources in comparison to the demand. A significant number of respondents reported that they face hassles and corruption in getting UP services. Around 40 percent respondents of Patuakhali, Naogaon and Gaibandha districts have mentioned delays, bribes, unavailability of chairmen, etc. as the key hindrances in UP services.

- **Participation in the local election process:** In all of the eight surveyed LRP's, more than 90 percent respondents had casted their votes in the last UP election. The respondents who did not cast a vote have pointed out three reasons for not voting. The first one is, they did not get time to vote, some of them were not regional voter and some were not present during the vote. .
- **Local governments planning process:** UP plays an important role in the development of rural areas. But it was found that most of the respondents are not properly aware of its planning and budgeting procedures. This scenario is common where ActionAid started its intervention last year or did not operate more than two years. It was found that UP planning and budget sessions are not participatory in nature. The process of local level planning and budgeting is highly influenced by the local power elite . Inclusion of public agendas and people's consultation are often denied in the process of budgeting and other decision making. The local representatives lack the accountability in expressing the allocation of budget and action plan to the public. The plans and strategies related to the locality are often developed and implemented without people's participation which resembles the lack of accountability and responsiveness of the government and development partners to poor people's needs in national level planning and implementation process.
- **Tax dynamics of local government institutions:** The percentages of UP tax payers are significantly different in different LRPs. In Gaibandha district, 46.39 percent of the respondents have been paying UP tax. This percentage is 46.23 in Satkhira and Jessore, 39.3 in Khulna, 32.6 in Patuakhali, and 34.6 in Naogaon. However, only 4.9 percent respondents in Sunamganj and 6.67 percent respondents in Dhaka have been paying taxes for local government institutions. This difference among LRPs reflects the capacity and strength of UP in collecting taxes from the local residents. Most taxpayers have paid three types of tax: Land tax, holding tax and tax for taking a lease of market, river or pond. But in return they don't get adequate service from the local government institutions. Very few of the tax payers of UP had ever got the expenditure statement of their given tax. 100 percent respondents from the LRP areas of Dhaka and Patuakhali were completely unaware about how their tax money has been spent. In another six LRP areas more than 90 percent of the respondents said they knew nothing about the expenditure statement of UP's tax income. Naogaon LRP had a better scenario from others but only 6.25 percent of respondents said they knew how their tax was spent by UP. In Gaibandha LRP 4.26 per cent respondents knew about it. This poor situation reflects both the lack of transparency of UP expenditure and the ignorance of taxpayers about UP activity. These types of conditions are a barrier towards participatory development in Bangladesh. Land tax was paid by respondents from all of the LRP areas. Land tax alone had also the greater share in the tax basket. However in some other LRP areas respondents paid more holding tax than land tax. A few respondents from some LRP areas were found to have paid tax for taking a lease of market, river, pond etc.

The above problem analysis has led to a Critical Pathway that will outline the most important Key Actions to address the problems. The Critical Pathway also delineates the outputs and outcomes envisioned by the programme. The indicators of the Critical Pathway are defined and explained in annex?



## 5. Critical Pathway

Inputs 	Key Actions 	Performance Results 	Change Results 	Impact 
	<p><b>1 Training and Capacity building</b></p> <ul style="list-style-type: none"> <li>ToT on taxation and budget governance and access to public service for CSO &amp; CBO networks</li> <li>ToT for LRPs and DBM networks on tools and techniques for creating access to public services at local level</li> <li>Facilitate workshops empowering LRPs to support local governments in demanding devolution of budgets from the central government.</li> <li>Capacity building of local government institutions on the fair tax collection and equitable redistribution of gender and climate responsive public services</li> <li>Conduct workshops/seminar for AAB partners and CSOs to create awareness about tax policies and administration of Bangladesh</li> <li>Conduct orientations for CSO networks and coalition leaders on MNCs' tax abuse</li> <li>Modify/develop key tax justice toolkits to the Bangladeshi context and translate it into Bangla</li> <li>Print and distribute the “Bangla Tax Power Toolkit”</li> <li>Orientation of the “Bangla Tax Power Toolkit” to the communities.</li> <li>Build critical understanding among youth groups by organizing social change training and engage them in tax justice and democratic budget movement campaigns</li> <li>Tax literacy training of 18 LRPs enhancing the understanding of tax justice and its relevance to their communities.</li> <li>Arrange workshops empowering LRPs and CBOs to demand</li> </ul>	<p><b>Performance Result 1</b></p> <p><b>Gender and environmentally sustainable public services are provided in a transparent and accountable manner.</b></p> <p><u>Performance Indicator 1.1: Number of people (incl. women and youth) reached by AA KCP 3 related programme activities (see section XX for specification).</u></p> <p><u>Performance Indicator 1.2: Number of community members who feel that their local government adequately consults them when making decision about public services (see section XX for specification).</u></p> <p><b>Performance Result 2</b></p> <p><b>Transparency and public participation are widely recognized as remedies for corruption and are enhanced at all levels of government.</b></p>	<p><b>Change Result 1</b></p> <p><b>Hold local and national government accountable for the provision of adequate pro-poor public services (Gender responsive and environmentally sustainable)</b></p> <p><u>Change Indicator 1.1</u> <u>Number of local governments where steps are being taken to increase accountability to their communities</u></p> <p><u>Change Indicator 1.2: Number of people living in poverty who experience</u></p>	<p><b><u>IMPACT</u></b></p> <p>132,550 numbers of Bangladeshi people living in poverty get access to gender and climate responsive public services by</p>

	<p>transparency and participation in local revenue collection and allocation.</p> <ul style="list-style-type: none"> <li>• Raise the awareness among local communities that everyone is paying tax (VAT) even if it is in an indirect manner</li> <li>• Mobilization at local and National level to critically engage people in favor of pro-poor tax policy and decentralization of budgetary framework</li> <li>• Rural as well as urban mass dissemination of AAB's Docudramas through outreach-program</li> <li>• Conduct workshops for members and staff of CSOs and networks who are partners of AAB.</li> </ul>	<p><u><b>Performance Indicator 2.1:</b>Number of anti-corruption advocacy/campaign coalitions at LRP and national level with active AA active participation (see section XX for specification).</u></p>	<p><u>improvements in quality and gender responsive public services</u></p>	<p><b>holding government accountable through an enhanced revenue and decentralized budgetary framework.</b></p>
	<p><b>2 Reflection / Action e.g. Social Audit, ELBAG, Community Scorecard processes, budget tracking</b></p> <ul style="list-style-type: none"> <li>• Conduct People's monitoring of local governments public services delivery mechanism</li> <li>• Develop community score card on health, education, agriculture, water, sanitation and social safety net programs</li> <li>• Conduct public hearing by the citizen to share gaps in public service delivery</li> <li>• Promote people led alternative planning process at Upazilla level</li> <li>• Facilitate the formation of citizens' watch groups to improve the accountability of public revenue raising and redistribution</li> <li>• Conduct peoples' monitoring of annual revenue allocations in key public services through citizens' report card.</li> <li>• Engage with women's groups to analyze tax policy and gender responsive budgeting and tracking.</li> <li>• Engage with women's group to analyze tax policy and gender responsive budgeting and tracking.</li> </ul>	<p><b>Performance Result 3</b></p> <p><b>AAB mobilizes and recruits X number of individuals especially women and youth as supporters of AAB's campaigns ("supporters" defined by AAI's criteria)</b></p> <p><u><b>Performance Indicator 3.1:</b>Number of private individuals and CSOs supporting AAB's campaigns by signing petitions and position papers (see section XX for specification).</u></p>	<p><b>Change Result 2</b></p> <p><b>Increase tax revenue from corporates as a result of lobbying, advocacy and campaigning by people living in poverty and CSO coalitions.</b></p>	
<p><b>KCP-4</b></p>	<p><b>3. Campaigning (mobilization)</b></p> <ul style="list-style-type: none"> <li>• Strengthen District based democratic budget advocacy network</li> </ul>	<p><b>Performance Result 4</b></p> <p><b>A "GloCal" solidarity coalition is created connecting the local and the global as well as different socio-economic groups in the demand for better public services and an end to corporate tax avoidance and</b></p>	<p><u><b>Change Indicator 2:</b></u></p> <p><u>Instances of and total budget amount of GOB increasing budget allocations and</u></p>	

<p>(Democratic Budget Movement)</p> <ul style="list-style-type: none"> <li>• Building a network of community and CSO led tax and budget accountability watch group at the District level</li> <li>• Strengthen CSO led National level tax justice platform</li> <li>• Support the Democratic Budget Movement (DBM) in its effort to demand pro-poor revenue raising and budget allocation</li> <li>• Build capacity of CSO and citizen to hold governments and corporates accountable on fair distribution of resources</li> <li>• Mobilize media groups to initiate investigative journalism for exposing unethical tax practice of the corporations</li> <li>• Mobilize media through workshop on DTT, TP and tax incentives</li> <li>• Mobilize youth groups about the MNCs' unacceptable tax abuses, adverse impact of harmful tax incentives, TP, DTTs through debate competition and consultation at divisional level</li> <li>• Produce Docudramas on tax incentives and TP</li> <li>• Sharing information about MNCs' tax abuse with producers print and electronic media</li> <li>• Engage in dialogue with the MNCs to submit to the "Fair Taxation" standard</li> <li>• Make a "Week of Action" to built solidarity between civil society, youth, activists and people living in poverty around tax justice</li> <li>• Facilitate youth led (Activista) mobilization to make harmful tax incentives socially unacceptable using online and offline media ( enjoyed by corporations)</li> <li>• Mobilize garment workers on tax justice to demand fair taxation and wages in the RMG sector</li> </ul>	<p><b>government tax "give aways"</b></p> <p><b><u>Performance Indicator 4.1:</u></b> <u>Number of strong coalitions and campaigns on tax justice where action aid is actively involved (see section XX for specification).</u></p> <p><b><u>Performance Indicator 4.2:</u></b><u>Number of national coalitions and think tanks for research and policy influencing on alternatives, pro-poor policies and NDS (see section XX for specification).</u></p> <p><b>Performance Result 5</b></p> <p><b>Increase capacity of CSO, CBO and local government institutions around tax revenue collection and monitoring</b></p> <p><b><u>Performance Indicator 5.1:</u></b> <u>Number of AA supported initiatives to establish accountability and community monitoring of unfair revenue generation and impact on public services (see section XX for specification).</u></p> <p><b>Performance Result 6</b></p>	<p><u>or actual disbursement for public services in health, education, and agriculture as a result of implementing progressive system of taxation (see section XX for specification).</u></p> <p><b>Change Result 3</b></p> <p><b>The GoB implements pro-poor tax policies (laws, rules and regulation), secure enforcement of these and is proactive in international tax cooperation"</b></p> <p><b><u>Change Indicator 3.1:</u></b></p> <p><u>Indicator: Steps taken</u></p>
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<ul style="list-style-type: none"> <li>• Arrange activities to build poor-poor solidarity among workers in the informal economy creating awareness about their rights and how these are connected to taxation</li> <li>• Organize a “letter campaign” making the MoF aware of the TPC demands</li> <li>• Organize demonstrations and develop the communication materials on TPC issues</li> <li>• Create a policy forum to organize TPC actions in connection with official SAARC-meetings</li> <li>• Identify likely “name and shame MNCs”.</li> <li>• Sensitize and build capacity of targeted members of relevant Parliamentary standing committees, Caucus and MP’s on progressive tax policy and administration and mobilize them to enact necessary act on progressive taxation and pro-poor spending.</li> <li>• Establish contact with NBR and arrange dialogues on TP with particular focus on alternatives to OECD’s TP-approach</li> <li>• Organize lobby meetings to establish cooperation between GoB and UN’s Tax Committee</li> <li>• Conduct lobby meetings with SAARC decision makers.</li> <li>• Policy dialogue with DPs to make them promote capacity building of NBR (Bangladesh’s National Board of Revenue)</li> <li>• Policy dialogue with DPs to make them promote legal reform of BD’s tax regime.</li> <li>• Policy dialogue with DPs to make them initiate and fund analyses of BD’s tax incentives, DTTs and TP regime</li> <li>• Sensitizing the Controller General of Accounts to take up tax incentives as a top priority.</li> </ul>	<p><b>MNCs’ are held accountable on their tax abuses</b></p> <p><u>Performance Indicator 6.1: Number of corporate stakeholders formally recognizes that MNCs and big domestic companies, as corporate citizens, bear responsibilities beyond job creation (see section XX for specification)</u></p> <p><u>Performance Indicator 6.2: Corporate tax abuse is no longer accepted by the institutions and civil society (see section XX for specification)</u></p>	<p><u>by governments to introduce a progressive system of taxation (see section XX for specification).</u></p> <p><b>Change Indicator 3.2: GoB is proactive in regional intergovernmental tax cooperation and bilateral cooperation.</b></p>	
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<ul style="list-style-type: none"> <li>• Develop a “solidarity campaign” emphasizing the link between tax revenues and public services delivery</li> <li>• Facilitate engagement between the national CSO based tax justice forum and international forums (especially with the UN)</li> <li>• Creation of multi country online knowledge hub on corporate tax practice</li> <li>• Organizing dialogues with “winning MNCs” on the “Fair Taxation” standard</li> <li>• Form students’ study circles on MNCs’ tax abuse involving the “debating societies” at selected universities</li> <li>• Organize study circles on tax literacy at local communities and facilitate the formation of school and college based youth study circle</li> <li>• Build linkage and mobilize with university students using social media on tax justice discourse</li> <li>• Build linkages to CSOs in home countries of “winning MNCs” and/or “name and shame MNCs” for coordinated corporate engagement.</li> <li>• Mobilize SMEs to lead activities protesting against the unfairness of EPZs and SEZs.by informing them about the unlevelled playing field enjoyed by tax abusing MNCs .</li> <li>• Facilitate networking activities linking the TPC with other campaign initiatives, especially in areas of primary education, primary education, agriculture services or social safety net</li> </ul>			
<p><b>4. Policy Research</b></p>			

<ul style="list-style-type: none"> <li>• Develop policy brief on progressive tax policy, democratization of budget and gender responsive public service and other related issues</li> <li>• Study on tax- service ratio</li> <li>• Research/study on various forms of tax incentive schemes which have had negative impact on National revenue</li> <li>• Production of a baseline report on Bangladesh' tax incentives</li> <li>• Production of a baseline report on Bangladesh' TP regime based on the available literature</li> <li>• Production of a baseline report on Bangladesh' DTTS</li> <li>• Production of a baseline report on Bangladesh' and AIE</li> <li>• In-depth power mapping on tax incentives, TP, DTT and AIE</li> <li>• Production of policy position paper on Bangladesh' tax incentives based on the baseline report</li> <li>• Production of policy position paper on TP Regime based on the baseline report</li> <li>• Production of policy position paper on Bangladesh' DTTs based on the baseline report</li> <li>• Production of policy position paper on Bangladesh' and AIE based on the baseline report</li> <li>• Conduct an evidence based study of the impact of tax incentives on the economy in Bangladesh</li> <li>• Mapping the 100 biggest (in terms of turnover and asset size) national and foreign companies in Bangladesh</li> </ul>			
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<ul style="list-style-type: none"> <li>• Media fellowship on investigative reporting on MNC tax dodging</li> <li>• Identify likely “winning MNCs”</li> <li>• Produce perception study of different stakeholders’ views regarding MNCs, tax legislation, tax administration and tax justice.</li> <li>• Produce quarterly tax burden indexes.</li> <li>• Produce position paper on “Progressive raised, progressive spent” with revenue targets and budget targets for selected sectors (primary health and education, agriculture services and social safety nets.</li> <li>• In association with professors at selected universities AAB or AAB-partners create programs for two lecture series</li> <li>• Support youth groups in creating policy space to demand tax justice</li> </ul>			
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## 6. PoP section specifying performance (Output) and change (Outcome) indicators

### KCP 3 CHANGE INDICATORS

#### **Change indicator 1.1**

Number of local governments where steps are being taken to increase accountability to their communities (from Global Monitoring Framework KCP3)..

Definition: “Steps” are counted as number of changes to policies, local plans and budgets. This number should reflect those concrete changes in policies or in local plans and budgets that the program activities carried out by partners / AA have led to.

#### **Change indicator 1.2**

Number of people living in poverty who experience improvements in quality and gender responsive public services (from Global Monitoring Framework KCP3)..

Definition: Quality can be defined in the lenses of Access to facility in terms of distance and hours of operation to meet the needs of people, Availability of qualified personal to provide service, the attitudes of service providers, Availability of adequate material;

Definition: Gender responsive; Public services being health, education, social safety net and agriculture. Links to KCP 9 and should also track whether women feel safe in these public spaces.

Means of verification Change indicator 1.1 and 1.2:

Sampled opinion

Media coverage

ActionAid Budget Tracking reports at national, provincial and district levels.

Sampled Opinion polls

ActionAid/Activista reports

Partner, public organisation reports.

Cabinet minutes

Hansard / Parliamentary records

Public fora/events

### KCP 3 PERFORMANCE INDICATORS

#### **Performance indicator 1.1:**

Number of people (incl. women and youth) reached by AA KCP 3 related program activities .

Numbers are disaggregated into

a) Number of people (incl. women and youth) participating in accountability related training

b) Number of people (incl. women and youth) involved in local and national level campaigning for better public services

c) Number of people (incl. women and youth) participating in discussions on plans, budgets and expenditure on public services e.g. Social Audit, ELBAG, Community Scorecard processes, budget tracking

#### **Performance indicator 1.2.**

Number of community members who feel that their local government adequately consults them when making decision about public services (from Global Monitoring Framework KCP3).

Numbers are disaggregated into

a) Estimated numbers of community members responding positive to sampled opinion polls.

Means of verification for Performance indicator 1.1.and 1.2.

Sampled opinion polls

Media coverage

ActionAid Budget Tracking reports at national, provincial and district levels.

Sampled Opinion polls

ActionAid/Activista reports

Partner, public organisation reports.

### **Performance indicator 2.1.**

Number of anti-corruption advocacy/campaign coalitions at LRP and national level with active AA active participation (from Global Monitoring Framework KCP3). .

Numbers are disaggregated into:

a) Parliamentarians demand access to (or even public access) to the individual agreements between GoB and corporations

b) Supporters of AAB-initiated grassroots campaign participate in signature/letter campaigns and/or public rallies demanding transparency on MNCs' profits and tax payments.

Other relevant indicators

TV and audio-versions of AAB's Docudrama "UdorPindiBudorGhare" are broadcasted on XX number of TV and radio channels.

**No CHANGE INDICATORS common to both KCP 3 & KCP 4**

**KCP 3 & KCP 4 common PERFORMANCE INDICATORS**

### **Performance indicator 3.1.**

Number of private individuals and CSOs supporting AAB's campaigns by signing petitions and position papers.

Numbers are disaggregated into:

a) Numbers of private support as per AA definition: "We have the person's name and reliable contact details allowing us to get in touch again. We have permission to contact the person again. The person has taken and action: Gave a donation, taken a campaign action, volunteered with us, attended one of our events.

c) Number of youths mobilized and engaged in the campaigns, trainings and/or events.

d) Numbers of members/followers on social media (Twitter/Facebook).

Means of verificationPerformance indicator 3.1.

TPC attendance records.

ActionAid/Activista reports

Individual testimonies

CSOs' strategies/programme documents.

Partner, public organisation reports.

Social media records

#### **Performance indicator 4.1**

Number of strong coalitions and campaigns on tax justice where ActionAid is actively involved (from Global Monitoring Framework KCP4) .

#### **Numbers are disaggregated into:**

Number of campaigns:

- a) Participation/attendance of business leaders in TPC platforms and activities.
- b) Number of target MNCs, as part of the multi-country campaign, demonstrates that they recognise and will adhere to the objectives of the TPC.
- c) Numbers of MNCs engages internationally in the TPC as “winning MNCs” and make tax justice a part of their CSR.
- d) Participation/attendance of CSOs in TPC platforms and activities.
- e) Number of campaign initiatives like “We are the 99%”type of solidarity campaign/coalition which are planned and launched linking targeted segments of journalists, academics, unions etc and people living in poverty.
- f) Number of invitations received by AAB from international partners and leading organisations on tax matters.

Number of coalitions:

- e) Number of SMEs and social enterprises that engage in AAB’s TPC on issues of tax incentives, TP and DTTs.
- f) Number of grassroots organizations and CSOs formally incorporate TPC into their own strategies/programmes of work and continue with coordinated campaigns for tax justice.
- g) Number of MNCs officially joining the TPC movement.
- h) Stakeholders like media houses, unions, business associations and academia chose to back the TPC and its objectives at national, regional and international levels.

#### **Performance indicator 4.2**

Number of national coalitions and think tanks for research and policy influencing on alternatives, pro-poor policies and NDS (from Global Monitoring Framework KCP4).

#### **Means of verificationPerformance indicator 4.1**

TPC attendance records.

ActionAid/Activista reports

CSOs’ strategies/programme documents.

Partner, public organisation reports.

Social media records

Government policy declarations, reports and publications.

International fora/events reports

Media coverage.

## **KCP4 CHANGE INDICATORS**

### **Change indicator 2**

Number of instances of and total budget amount of GOB increasing budget allocations and or actual disbursement for public services in health, education, and agriculture as a result of implementing progressive system of taxation (from Global Monitoring Framework KCP4) .

#### This is disaggregated into

- a) Ratio of public expenditure to GDP spend in health, education and agriculture.
- b) Number of publically funded programmes / projects dedicated to improvements in public services in target sector.

#### Means of verification for Change indicator 2

National Budget Speech / publication  
Individual ministry annual reports  
District/ Upazila/Ward budget reports  
Central Statistical Office reports  
Medium Term Economic Framework  
Democratic Budget Movement reports  
National Budget Speech / publication  
Individual ministry annual reports  
ActionAid Budget Tracking reports at national, provincial and district levels

### **Change indicator 3.1**

Steps taken by governments to introduce a progressive system of taxation (from Global Monitoring Framework KCP4) .

#### Definition

“Steps” are counted as number of changes to policies and regulatory systems + enforcement / implementation of regulatory system. This number should reflect those concrete changes in policies or legislation that the program activities carried out by partners / AA have led to.

#### This is disaggregated into

GoB is prioritizing and has establish a capable Transfer-pricing (TP) cell within the National Board of Revenue (NBR). The TP-cell practices are adopted mainly from India and UN’s guidelines, not OECD’s.  
GoB officially questions OECD model conventions as the appropriate template for Bangladesh’s rules on TP and DTT respectively.  
GoB amends (or at least started the process) the number of incentives.  
GoB reviews and/or cancelled a X number DTTs.  
GoBreviews and/or cancelled a X number DTTs.  
Comprehensive policy brief detailing progressive revisions to corporate taxation policy.  
The National Board of Revenue (NBR) reports year-on-year change as a result of new regulatory framework.

### **Change indicator 3.2**

GoB is proactive in international, regional and bilateral intergovernmental tax cooperation.

#### This could be disaggregated into

Regional intergovernmental tax cooperation is most likely in SAARC. Here a target indicator could be to have standards on minimum corporate tax rates (CIT) and committed themselves to further harmonize their tax regimes.

Proactivity in bilateral cooperation means GoB are critically reviewing rules and regulations renegotiated and ratified by Bangladesh and its partners.

The adoption of detailed recommendations put forward by multilateral and regional partners by the Government of Bangladesh/NBR, such as guidelines and practices from India, the Transfer Pricing Practice Manual for Developing Nations, developed by the UN's Committee of Experts on International Co-operation on Tax Matters.

Official statements by public officials on the appropriateness of international corporate taxation rules and regulations made at national and international levels and specifically questioning OECD's models.

Number of information requests submitted to AAB/T-J Platform by professional bodies in Bangladesh and across Asia.

#### Means of verification Change indicator 3.1 and 3.2

Parliamentary calendar

Parliamentary gazette

Tax authority public circulations/issue.

Government policy declarations, reports and publications.

Cabinet minutes

Hansard / Parliamentary records

Written and oral submissions by GoB officials at international forum/conventions on tax reform in South and SAARC.

The United Nations/World Bank reports/publications

Economic Relations Division (ERD) Ministry of Finance and Planning budget commitments

Bilateral declarations with regional partners, e.g. India.

### **KCP4 PERFORMANCE INDICATORS**

#### **Performance indicator 5.1**

Number of AA supported initiatives to establish accountability and community monitoring of unfair revenue generation and impact on public services (from Global Monitoring Framework KCP4).

#### This is disaggregated into

- a) Number of training initiatives related to tax justice
- b) Number of community level tax revenue monitoring initiatives
- c) Number of research initiatives related to tax justice
- d) Number of advocacy initiatives related to tax justice
- f) Number of AAB partner organizations who demonstrable understanding and knowledge of tax issues.
- g) Number of platforms and open events held at district, provincial and national levels.

#### Other relevant indicators

A national TJ platform is formed connecting and empowering grassroots organizations to have the capacity to stand up to local and national authorities.

#### Means of verification performance indicator 5.1

TPC attendance records.

ActionAid/Activista reports

CSOs' strategies/programme documents.

Partner, public organisation reports.  
Parliamentary gazette  
Government policy declarations, reports and publications.  
Cabinet minutes

**Performance indicator 6.1:**

Number of corporate stakeholders formally recognizes that MNCs and big domestic companies, as corporate citizens, bear responsibilities beyond job creation .

This is disaggregated into:

- a) Number corporate memoranda/articles of association amended.
- b) Number of corporate strategies and plans amended.
- c) Number of business community associations' constitutions and plans amended.
- d) Number of Parliamentarians demanding public disclosure of individual agreements between GoB and corporations.
- e) Number of MNC audits challenged by the National Board of Revenue.
- f) Numbers of MNCs which tax abuse is exposed by the TPC and face reputational damage to their CSR profiles.
- g) Number of corporate stakeholders have committed themselves to disclosure their profits and tax payments.

Other relevant indicators

The Federation of Bangladesh Chamber of Commerce and Industry (FBCCI), the Metropolitan Chamber of Commerce and Industry (MCCI) and the Dhaka Chamber of Commerce and Industry (DCCI) formally recognizes that MNCs and big domestic companies, as corporate citizens, bear responsibilities beyond job creation.

The Board of Investment (BOI) is hold accountable on its vision “...to promote domestic and foreign investment as well to enhance international competitiveness of Bangladesh and contribute to overall social and economic development of Bangladesh”.

GoB publishes the effective yearly tax payments of the 200 biggest companies in Bangladesh.

Means of verificationPerformance indicator 7

Corporation press releases  
Industry groups'/membership organisations' declarations.  
Corporation / business association founding documentation, strategies and plans.  
Media coverage

## 7.1 Partnership profiles

ActionAid Bangladesh has 27 LRPs and among them 8 LRP are focused on governance and accountability theme. These selected 8 LRPs will mainly contribute to outcome 1 to make the local government service delivery mechanism more gender responsive and climate resilient. Apart from this, AAB has been working with two national networks which will mainly contribute to outcome 2. Moreover, the convergence point in between two outcomes will be realized as per need.

### LRP PARTNERS

**PSTC:** PSTC is the inheriting organization of Family Planning Services and Training Center (FPSTC) which was established in 1978 following a government order to act as a bridge between the Government, Donors and local level NGOs working in the field of FP-MCH. PSTC has 114 branches with 68 clinics in 31 districts under seven divisions (Dhaka, Chittagong, Sylhet, Rajshahi, Barishal, Khulna and Rangpur) PSTC involved in different movements like Health rights movement national committee, STI/ADIS network of Bangladesh, Unite for Body Rights (UBR), VHSS, ADAB, Water Supply Sanitation Collaborative Council for Bangladesh (WSSCC'B), RAGS and Democratic Budget Movement (DBM). Apart for that, PSTC is involved with different networks for ensuring Adolescents Rights and Services (NEARS), BSAF and CUP. PSTC works intensively for the multi-dimensional development program implementation and networking at both local and National level. PSTC will work in Gazipur district which is adjacent to capital Dhaka. PSTC will mainly focus on garments worker right to public services.

**Barendro Unnyan Prochesta (BUP):** BUP is a local NGO who has credible experience in budget advocacy work. ActionAid Bangladesh has been working with this NGO to promote the agenda of democratic budget movement in Bangladesh. BUP has been playing crucial role to take forward budget advocacy work through its platform. The NGO is located in northern part of Bangladesh. BUP is specialized in local level policy advocacy on different development issues. The organization has also experience in linking local issue with the national advocacy initiatives. In this POP, BUP will contribute to outcome-1 and 2.

**PUAMDO:** Panchbibi Upazila Adibashi Multipurpose Development Organization (PUAMDO) is a non-governmental, on-profitable and non-political social development organization for the development of rural poor particularly for the indigenous peoples. The organization is implementing its development programs in two Pourashavas (Municipality) of Joypurhat district; Joypurhat Sadar and the Panchbibi Pourashava. At the same time, 8 unions of Panchbibi Upazila under Joypurhat district also have been included the PUAMDO activities. Presently working in 87 villages of those unions (Atapur, Balighata, Bagzana, Dhoronjee, Aymarosulpur, Aolai, Kusumba, & Mohammadpur) and there is a future plan to extend its programs gradually depending on the availability of fund and practicability of the organization.

The broad target areas of interventions through different programs are a) Group Formation & Social Awareness, b) Education (Children Learning Center), c) Agriculture, iii) Sanitation and Health, d) Pure Drinking Water Supply, e) Income Generating Activities, f) Women Resource Development, g) Social Forestry, h) Fish Culture & Wetland Management, and i) Skill & Social Development Training j) Indigenous cultural activities. Through this funding program, PUAMDO will work to create space for the indigenous people in local level planning and budgeting processes. Moreover, they will work with local government institutions to make them more accountable and responsive to the need of indigenous people.

**UDAYANKUR SEBA SANGSTHA (USS):** Udayankur Seba Sangstha (USS) started its journey in 1997 with awareness raising program on poverty, health, education, gender equity, discrimination among the boys

and girls, sanitation in the poor community. It is realized, that in the prevailing social system the rural poor are being overlooked, they remain out of reach of the so-called development programs. We strongly believe that without the wholehearted participation of target groups and their empowerment, none of the development initiatives could be fulfilled. Thus USS is working in Nilphamary district which is located in the northern part of Bangladesh and encourages the poor for changing their socioeconomic condition on their own. USS primary role as facilitator, in supporting people to critically analyze the situation, identify the causes, define the solutions, formulate the alternative vision, plan for action and strategies to achieve desired results. Facilitation of an emancipator process that enhances their capacity and strengthens peoples' institutions and solidarity to address their urgent crisis as well as building alternative systems. The strategic concern for USS is to address two types of issues; the urgent and immediate crisis as well as the policy and actions of remote forces that maintain structural deprivation. In case of urgent issues, the deprived and marginalized people facing, for instance, *Monga* (seasonal famine), unemployment and abject poverty, violence against women, illiteracy and drop out from primary and secondary schools and common disease. In this programme frame, USS will contribute to outcome-1 to make the local government institutions mainly the sub-district more accountable in devising development plan.

**Association of Voluntary Actions for Society (AVAS):** Association of Voluntary Actions for Society (AVAS), has been incepted as a not for profit, non political and community based voluntary organization in 1998. Soon, AVAS has been registered with the Department of Social Welfare, NGO Affairs Bureau, Jubo Unnayan Adhidaptar (Department of Youth Development) & Women Affairs Burea. The Head Office of the organization has been established in Barisal, the south most divisional town of Bangladesh.

Though, initially AVAS was set up to ensure Women's right & Leadership, at present the organization is conducting the activities like Safe Water Supply & Sanitation, Preseving Rights for Women & Children, Legal Aid Support and Education, Literacy Education for the Underpriveleged, Reproductive Health Education for Adolescents, HIV/AIDS and STI Prevention, Preserving Civic, Human & Child Rights, Combating Violence Against Women & Children, Strengthening Local Government Institutions etc. At present AVAS is being counted as the reputed, accountable and sincere organization in Barisal region. The organization has its Branch Offices in all the districts of Barisal division including the remote and char areas. The organization is equipped with capable, skilled and committed manpower, adequate facilities & materials, modern information technology system. AVAS will mainly focus to women rights related campaigns. They will ensure women representation in local government planning and budgeting process. Women leadership development in local government process shall be one of the key areas of focus. They will contribute to outcome 1 and 2. AVAS is one of the founding members of DBM.

**Bolipara Nari Kalyan Somity (BNKS):** BNKS's vision is "People of the Chittagong Hill Tracts are empowered to live their lives in security, dignity and true to their cultural traditions whilst being able to be part of the mainstream development process of the country". Main focused issue of BNKS are Education, Health, Reflect, Alarong Thana, and Entrepreneurship. Working area is in Bandarban Sadar upazilla, Thanchi, Ruma, Rowngchari and Alikadam. They will mainly contribute to outcome 1 as the state of education and public health care is very poor in this geographical part of Bangladesh. BNKS has been working on rights issue for hill tracts people for long. Now they are working to establish an accountability mechanism that will ensure hill tracts people's participation in local planning and budgeting processes.

**Nari Maitree:** Nari Maitree is a non-government, non-political and non-profit organization, established on September 02, 1983 by a group of dedicated women in order to build up the capacity of destitute women, children and adolescent of both rural and urban areas of the country. Since its establishment Nairi Maitree has been implementing different development activities with special focus on the Health, Education, Skill Development Training, Lobby and Advocacy areas in order to building up the capacity of women, adolescents and children for establishing their rights in the family as well as in the society.

Nari Maitree covered as many as 47 wards of Dhaka City Corporation including 12 villages of Demra Thana. Besides, it also covered the 28,00,000 disadvantaged children, women and adolescents of Mymensingh, Jamalpur, Netrakona, Tangail, Tongi, Kishoreganj, Sherpur, Cox's Bazar, Comilla, Feni and Chandpur districts. Nari Maitree has spread its multi-dimensional programs at different thanas/wards in 9 districts of the country with different target people. It is making coordination with several organizations working in the same field of activities and collaborating with each other. Nari Maitree is one of the urban LRPs of ActionAid Bangladesh. They will work to make the city corporation to make public services available for the slum dwellers as well as they will ensure access of urban poor in planning and budgeting process. Nari Maitree will mainly contribute to outcome-1 of this program.

**SHARP:** Is a non government organization which has been working in Sirajganj district. SHARP is also one of the founding members of DBM. They are mostly working in Char islands of Sirajganj district to create right consciousness among Char dwellers. Right to education, right to health and right to social safety net are some areas of intervention of this organization. SHARP will contribute to outcome-1.

## **NATIONAL NETWORKS**

**Democratic Budget Movement (DBM):** Democratic Budget Movement, in Bangla "GONOTANTRIK BUDGET ANDOLON" is a national movement of citizen's of Bangladesh which demands democratization and decentralization of national and local budget through people's participation in devising local and national development plan. The aim of this movement is to reduce and or decrease regional inequalities and disparities for a balanced societal growth. The individual citizen, citizen and professional groups including local government, media, CSOs, peasants, farmers, trade unions, students and youths from 23 districts (out of 64 districts) of Bangladesh are taking forward this movement in Bangladesh. This movement platform will contribute to outcome 1 to create a momentum around decentralized budgetary structure and inclusive financing in public services through introduction of a progressive tax policy.

**Society for Participatory Education and Development (SPED):** SPED represents people's organizations which are implementing and promoting participatory education approaches, particularly Reflect. They believe that transformation of society to make it more just and egalitarian is possible when a critical mass of people, those currently marginalized, come forward in collective action to claim their rights. Participatory approaches contribute to the social awareness of individuals, to develop their analytical skills so that they can organize and successfully claim their just rights. Participatory approach contributes to the social awareness of individuals to develop their analytical skills so that they can organize themselves and successfully claim their rights and just society.

The process of developing a forum on participatory education and development was initiated in January, 1997 through discussion on the need for such a forum. This was finally formalized in May, 1999 with the technical support from the Reflect Co-ordination Unit of ActionAid Bangladesh. This people's organization led national platform will mainly focus on outcome-1 and will also contribute to outcome 2. People centric demand for accountable public service though decentralized budgetary structure will be the focus area SPED.

## **6.2 Our coverage**

Right to Just and Democratic Governance strategic priority will reach 8 LRP's which are located in 8 districts of Bangladesh. Apart from 8 LRPs, AAB will also involve with 2 national networks to implement this frame agreement. It can be estimated that near about 30,000 people will be directly impacted though diverse initiatives undertaken by the AAB and its partner organizations. At least 45 reflection action circles and lokokendar based people's organization will be covered in the stipulated timeframe. Moreover, district and National based civil society organizations and networks would play a solidarity role in bringing positive

changes in areas of democratization of national and local budget, tax justice and Accountable public service provision for the people living in poverty. Through this involvement, at least 10,000 women would be drawn into this process and they would play an active role to operationalize planned activities in coming years.

### 6.3 Our existing experience

Right to Just and Democratic Governance is one of the strategic priority areas of AAB which is working to promote pro-poor inclusive governance in the country. We have credible experience of creating democratic space at local government institutions for the people living in poverty. AAB has been promoting people led alternative planning process at local government institutions for last couple of years. This alternative people led planning process is supported by Democratic Budget Movement (DBM), a popular movement which was emerged in 2009. AAB has been playing a catalyst role in building up the movement since its inception. However, AAB has reasonable expertise in the field of accountable in public service delivery, democratization and decentralization of national budget, public service and budget expenditure tracking, budget monitoring, and tax justice. This is to be noted here that AAB is playing strategic role in the Tax Power campaign in the federation which has given a comparative advantage to Right to Just and Democratic Governance team to operationalize KCP 3 and 4.

### 6.3 Integration of People for Change and Training for Change programme:

ActionAid Bangladesh will undertake series of capacity building initiative during the implementation of frame agreement. Most of the capacity building initiatives will be conducted with support from P4C and T4C. ActionAid Bangladesh has identified four key areas on which training and capacity building support will be provided to ActionAid Bangladesh’s country programme staff, Activista members, Network members and most importantly LRP staff. Some of the community activists will also be oriented on key governance issues through different training programmes. The identified training programmes will mainly focus i) Tax literacy for enhancing understanding of tax justice ii) Accountable public service and tools and techniques for advocacy iii) Social change training for youth on governance issues and iv) training on national development strategy with focus to tax and redistributive justice. These training programmes have been identified by assessing capacity needs of AAB staff as well as LRP and other network staff. However, a comprehensive needs assessment is required for future training needs.

### 6.4 Funding plan:

ActionAid Bangladesh will try to raise fund for the implementation of this programme objective plan. Following are some feasible sources from where funding might shall be ensured

Source of fund	Project title	Amount	Status
United Nations Democracy Fund	Participatory Democracy	300,000 USD	Project Proposal Submitted
Finish Government Fund	Gender Responsive Public Service	285,000 EURO	Project Proposal Submitted
DFID	Promoting Rights of Ready Made Garments workers	400,000 GBP	Proposal will be prepared

## 7 Indicative budget (Attached as annex)

## 8 Risks

Risks	Probability (H/M/L)	Impact (H/M/L)	Mitigation Measures
<ul style="list-style-type: none"> <li>Political shifting changes in the national/local political environment in terms of policy priorities.</li> </ul>	High	Low	<ul style="list-style-type: none"> <li>Keep close liaison with relevant government officials and leading political parties to forecast political shifting and build campaign strategy accordingly</li> </ul>
<ul style="list-style-type: none"> <li>The elected representatives and employees of local government may seek their personal interest.</li> </ul>	Medium	Medium	<ul style="list-style-type: none"> <li>Create mass awareness among people so that they can oversee local governments engagement in this campaign</li> <li>Also build good relation with local government and make them accountable</li> </ul>
<ul style="list-style-type: none"> <li>Due to prevalence of socio-cultural norms, equal participation by all marginal groups/citizens from marginal geographical areas may not be achieved.</li> </ul>	Low	Medium	<ul style="list-style-type: none"> <li>Build strong linkage with networks and alliances who are focused marginalized groups</li> <li>Strategically involve marginalized groups in campaign activities</li> <li>Pick leaders from marginalized groups and involve them in campaign activates</li> </ul>
<ul style="list-style-type: none"> <li>People may not be able to attend public hearings and express their opinions freely because of fear</li> </ul>	Low	High	<ul style="list-style-type: none"> <li>Build trust among communities through sensitization workshops</li> <li>Put partner organizations adequate information and support so that they can bear with communities in raising voice</li> </ul>
<ul style="list-style-type: none"> <li>Local governments/NBR may not own the objectives of the project because it might carry message against them</li> </ul>	Low	High	<ul style="list-style-type: none"> <li>Conduct regular workshop and seminar and involve government officials specially the NBR in every spheres of campaign</li> <li>Build strategic relation with NBR</li> </ul>
<ul style="list-style-type: none"> <li>Newly elected people's representatives may jeopardize the project by misinterpreting the spirit of the tax justice initiative</li> </ul>	Low	High	<ul style="list-style-type: none"> <li>Organize sharing meetings for newly elected people's representatives and make them aware about</li> </ul>

			<p>the process</p> <ul style="list-style-type: none"> <li>Form/strengthen parliamentary caucus on tax-budget issue and make them accountable in organizing campaign activities by themselves</li> </ul>
<ul style="list-style-type: none"> <li>Interference in policy making by IFI's/corporate/TNCs over central government</li> </ul>	Medium	Medium	<ul style="list-style-type: none"> <li>Build strategic relationship with civil society organizations and mainstream media to unveil any unethical interference made by IFI's/corporate/TNCs</li> </ul>