



**Bangladesh Water Development Board (BWDB)**



Kingdom of the Netherlands

**Embassy of the Kingdom of the Netherlands (EKN) Dhaka, Bangladesh**



**Department of Agricultural Extension (DAE)**



**Progress Report Q1-2018**  
**Blue Gold Innovation Fund**



# Progress Report Q1-2018

January to March 2018

## Blue Gold Program – Water Management and Productive Sectors Innovation Funds

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# Executive summary

This report provides a quarterly progress update of the period January – March 2018 showcasing the innovative approaches that have benefited, or are expected to have a positive impact on, the lives of the people in the polders under the Blue Gold Program. This progress reporting is part of the management of the Blue Gold Innovation Fund (BGIF). For more details on the scope and set-up the BGIF, please consult the BGIF Procedure Manual V7- August 2017.

## Quick status overview of Innovation Fund Projects and Applications on 31<sup>st</sup> Mar 2018

The table below provides an overview of the numbers of the total number of projects under implementation, completed, under review, under development and rejected. *Note: from now onwards, projects initiated through solicited or unsolicited tender procedures will be combined in one overview:*

| Projects under implementation<br>(Chapter 1)  | Projects Completed<br>(Chapter 2)  | Proposals under review<br>(Chapter 3)        | Concepts under development<br>(Chapter 4) | Concepts Rejected<br>(Chapter 5)       |
|---|------------------------------------|--|---|--|
| <b>8 (total)</b>                              | <b>22 (total)</b>                  | <b>2</b>                                     | <b>5</b>                                  | <b>64 (total)</b>                      |
| <b>Two new project contracts signed in Q1</b> | <b>One project completed in Q1</b> | <b>One new proposal being reviewed in Q1</b> | <b>Nine new concepts received in Q1</b>   | <b>Sixteen concepts rejected in Q1</b> |

Further details are provided in Chapter 1-5.

## Projects under implementation

At the moment, 8 projects are under implementation. Below the most interesting project updates are highlighted (for more information see chapter 1):

- **United Purpose – Sustainable Water through Indigenous Finance & Technology (SWIFT).** Field staff has been trained in 2nd week of February and the official launch of the project took place on 27 February. Currently the actual FGDs and KIIs for the feasibility study are conducted. The feasibility study is expected to be finalised by the end of April 2018.
- **NHC - Low cost embankment protection measures in tidal rivers (polder 29).** The stabilisation of riverbank with geobags implemented in July 2017 and post-implementation monitoring took place, including the analysis of a river survey of the Lower Bhadra conducted by IWM in November 2017. The report on the surveys and intervention is being prepared by NHC - submission is expected in mid-April 2018.
- **BAU Germplasm Centre (BAU-GC) – Introduction of new types of lean season fruits and vegetables through PAR.** BAU-GC organised contact farmer training between 1-4 February 2018 at Patuakhali. It also delivered a progress report for November 2017 to March 2018 and a market analysis report. The quality of both reports was considered insufficient and BAU-GC is currently improving the reports. Also follow up in the field is required to strawberry cultivating farmers who did not receive proper training and demonstration of the new fruit technology.
- **United Purpose – Women Business Centres (WBC) –** Four WBC have been fully established in polder 28/2 and 31-part and a very successful Business Development Planning training took place for WBC entrepreneurs in Khulna city between 19-22 March.

### Projects nearing completion

The following projects have finalised their field activities in Q1-2018, but are still working on their final report.

- **BMSR Agricultural University's** pilot project "**Aquaculture intervention in seasonal waterlogged areas in southwest region of Bangladesh**" is almost completed. A local level workshop took place on 18 January 2018 to discuss the outcomes of the pilot and possible follow-up within polder 2. We are also in discussion with Dr. Jahangir to evaluate other aquaculture interventions within the BGP area.
- **MetaMeta's** feasibility study "**Roads for Improved Water Management and Flood Protection**". Via another project under the Global Resilience Partnership (GRP), MetaMeta is further strengthening this approach and planning for a pilot in polder 26. They will visit Bangladesh in April 2018 to conduct a final presentation of their feasibility study and pilot design.

### Projects completed

The following projects were fully completed in Q1-2018 (for more information see chapter 2):

- **ProPortion and Grameen Intel (PP&GI)** has published its feasibility study to develop a self-sustainable service and business model for a ICT-based agriculture advisory service. The presented pilot design is however perceived as not being innovative and not acceptable to Blue Gold Program.

### New contracts signed or under negotiation

The following new contracts were signed or in process of contract negotiations in Q1-2018 (for more information see chapter 3):

- For the solicited call for proposals "Improved Information for Agriculture" contract negotiations took place in February/March 2018 with the three highest scoring bidders. With mPower we signed a contract on 15 March for the "**Breed Identification and Digital Registry of Cattle**" project. We are about to sign a contract with MetaMeta for the "**Accelerating Horizontal Learning in Bangladesh Polders: ICT as Force Multiplier**" project. We are still in the process of contract negotiations with CIMMYT and the expectation is their project will start on 15 June 2018.
- The number of unsolicited proposals that came in Q1-2018 was encouraging. Unfortunately, we did reject a large number, however with one partner, InnoVision Agro Services, we did sign a new contract on 28 March, called "**Feasibility study on augmenting homestead pangasius aquaculture productivity in three Upazilas of Patuakhali through community participation**".

### Concepts under development

We received about 9 new concept notes during Q1-2018 and stimulated the further concept note development of about 7 other organisations, who submitted earlier. Among the 5 concepts under development, the following can be considered as high potential to develop a full proposal (For more information see Chapter 4):

- **Acacia** – Pilot for Managed Aquifer Recharge in Khulna area
- **Aspire & Insects4All** – Pilot for Insect Larvae as fish feed (full proposal received)

### Concepts/proposals rejected

Unfortunately, we had to reject 16 concept notes under the unsolicited procedure in Q1-2018 (For more information see Chapter 5):

- Three concept notes developed under the YY Goshti's Blue Gold Innovation Fund were rejected, because two did not present the novelty of their project concept and one did not address the actual needs of polder dwellers.
- One concept notes were rejected since they mostly addressed commercial large farmers and not Blue Gold's main target group
- Another 5 concept notes were rejected because they lacked innovativeness or did not address the actual needs of polder dwellers.

- Seven concept notes rejected, concerned organisations we have been sending feedback and several reminders, but still did not reply after 4 to 6 months.

### Promotion Activities

To ensure a continuous flow of applications and to demonstrate the effectiveness and possibilities of Blue Gold's Innovation Fund, we are planning the following activities for Q2-2018 (for more information see Chapter 6):

- The publication of the Innovation Fund Booklet "**Inspiring Innovation Fund projects at a glance**".
- We unfortunately cancelled the **special mission to the Blue Gold Program for Dutch SMEs** in April 2018, due to a lack of interest among applicants.
- We will prioritise 3 or 4 main topics to be covered under the BGIF for Q2-2018, since the BGIF application deadline for unsolicited proposals will close on 30 June 2018 and we still have an outstanding amount. Among all organisations on our BGIF distribution list we will send a Final Call for Concept Notes by the end of April 2018 based on the topics selected.

# 1. Projects under implementation

The following Innovation Fund projects are under implementation as of 31 March 2018. Reports mentioned under deliverables can be delivered upon request.

| Name of applicant | Proposal topic                                  | Main objective  | Project duration              | Budget (EUR)    | Current Project Status   | Last Deliverable submitted             | Amount paid (EUR) | Amount Due (EUR) |
|-------------------|---|---|-------------------------------|-----------------|--|--|-------------------|------------------|
| <b>MetaMeta</b>   | Roads for Flood Protection and Water Management | Investigate the feasibility of integrated road planning with BWDB and LGED to reduce drainage congestion and enhance flood protection | 1 Dec '16-30 Nov '17 (1 year) | <b>€ 30,970</b> | MetaMeta is finalising its feasibility study and started to prepare for the next phase of designing a pilot. This expected to be a combination of testing and monitoring Roads for Water infrastructural works in polder 26 and initiating a policy dialogue and developing BWDB-LGED Best Practices on Roads for Water Management and Flood Protection. Finance for this pilot will come partly from an already obtained fund from Global Resilience Partnership (GRP), and possible additional will be provided by local UP/Upazila funds. Developing sound financial and administrative procedures for fund disbursement to construct two culverts in polder 26 is challenging. Frank van Steenberg will visit the country in April 2018 for follow up. | Draft final report, incl. Pilot design | € 21,042          | € 9,928          |



| Name of applicant                                | Proposal topic   | Main objective   | Project duration                  | Budget (EUR)    | Current Project Status   | Last Deliverable submitted  | Amount paid (EUR) | Amount Due (EUR) |
|--|--|--|-----------------------------------|-----------------|--|---|-------------------|------------------|
| <b>LA-TTSL Joint Venture, IWM, Deltares, NHC</b> | Low cost riverbank protection to tidal rivers          | Stabilising the right bank of the Lower Bhadra River adjacent to Polder 29 and in the vicinity of Chadghar village                                     | Feb '15 – April '18               | <b>€350,000</b> | The performance of the geobag protection to a short reach of the Lower Bhadra River close to Chadghar village is under assessment. A post-monsoon survey was conducted in November 2017, and will be compared with the pre-monsoon survey conducted in May 2017. A report is in preparation to summarise the intervention and overall performance, and will be available in Q2 2018.   | Post-monsoon survey report Nov '17                                    | € 348,556         | € 1,444          |
| <b>BAU Germ Plasm Center</b>                     | Participatory Action Research on Fruits and Vegetables | Introducing new types of lean season fruits and vegetables in 12 different polder areas of BGP and researching the viability and uptake by WMG members | 1 May '17 - 30 June '20 (3 years) | <b>€ 48,194</b> | BAU-GC organised farmer training in February 2018 at Patuakhali. It also delivered a progress report for November 2017 to March 2018 and a market analysis report. The quality of both reports were considered insufficient and BAU-GC is currently improving the reports. At this stage we will not release a next payment. Furthermore, strawberry farmers are demanding the seedling production technology and demonstration (since it is a new fruit in their area), but BAU-GC did not take any initiative so far to visit them and communication with BAU-GC field coordinators seems to be poor.  | Progress report November 2017 - March 2018 and Market Analysis Report | € 24,317          | € 23,877         |
| <b>BSMR-AU Gazipur</b>                           | Aquaculture intervention in seasonal waterlogged areas | Conducting participatory action research on site specific aquaculture interventions in polder 2 to increase productivity and nutrition                 | 1 Jun '17 - 31 Dec '17 (6 months) | <b>€ 41,289</b> | BSMRAU finalised its pilot project on pen culture in polder 2, with harvest of the fish in November and December. A presentation and discussion was held on December 11, 2017 at Program Coordinating Director's Office, PCD Mr. Amirul Hossain, Focal Point of DoF Dr. Sainar Alam, District Fisheries Officer, and BGP TA Team experts attended the session. Another workshop was conducted on 18 January at local level to discuss the possible follow-up within polder 2. We are also in discussion with Dr. Jahangir Alam to evaluate other aquaculture interventions within the BGP area. The final report of the pilot is delayed for more than 2 months now. Reminders will be given and final payment will not be released for now. | Mid-term progress report  | € 39,225          | € 2,064          |



| Name of applicant     | Proposal topic                                      | Main objective  | Project duration                       | Budget (EUR) | Current Project Status  | Last Deliverable submitted            | Amount paid (EUR) | Amount Due (EUR) |
|-----------------------|---|---|--|--------------|---|---------------------------------------|-------------------|------------------|
| <b>United Purpose</b> | Women Business Centers                              | Pilot Women Business Centres in BGP area Khulna   | 21 Nov '17 till 20 Nov '18 (12 months) | € 49,985     | Four WBCs have been established in polder 28/2 and 31 part namely Choyghoria, Joykhali and Raypur, Bunarabad. Five women entrepreneurs from each WBC have invested BDT 50000 (BDT 10000 each) for their business center. 120 farmer groups selected under this 4 WBC (Each group consist 20-30 farmers). They started business in sapling production and selling, egg collection and selling, seed selling, cosmetics and grocery items selling. WBCs are also making shopping bags and selling them. UP organized Business Development Planning training for WBC entrepreneurs from 19-22 March 2018 in Khulna city. Linkages between entrepreneurs of WBCs and different government officials like Upazilla Agriculture Officer, Upazilla Livestock Officer, and Upazilla Fisheries Officers have been established. | Advance claim                         | € 17,495          | € 32,490         |
| <b>United Purpose</b> | Sustainable Water Management Finance & Technology   | Testing various finance models for small-scale water management infrastructure  | 1 Jan '18 - 30 Apr '18                 | € 20,180     | Project feasibility study had a little delay at the start to set up an office and mobilise staff, but seems to be running well. Field staff has been trained in 2nd week of February and the official launch of the project took place on 27 February. Currently the actual FGDs and KIs for the feasibility study are conducted based on an approved research proposal. The feasibility study is expected to be finalised by the end of April 2018. Based on the quality of the study, we will decide whether we will award Phase 2, the actual piloting.  | Monthly progress report February 2018 | € 7,063           | € 13,117         |
| <b>mPower</b>         | Breed Identification and Digital Registry of Cattle | To apply cost-effective innovative algorithms to assess breeds and register cattle; promotion of Shurrokha livestock services | 1 Apr '18 - 30 Sep '19                 | € 132,564    | Project recently started. mPower is currently recruiting field staff and monitoring officer. CVs will be shared. The plan is to organize a central project brief sharing meeting at Dhaka with DLS top officials and the BGP team in April. Also 3 local inception workshops in the zones will be organised. Selection of WMGs has started and baseline survey questionnaire is under development. Their partnership with RDA and Lalteer is further formalised and a search for a Dutch partner in DNA chips is ongoing.   | Advance claim                         |                   |                  |

| Name of applicant                   | Proposal topic   | Main objective   | Project duration                    | Budget (EUR) | Current Project Status                                     | Last Deliverable submitted | Amount paid (EUR) | Amount Due (EUR) |
|-------------------------------------|--|--|-------------------------------------|--------------|--|----------------------------|-------------------|------------------|
| <b>Innovision Agro Service Ltd.</b> | Feasibility study on augmenting homestead pangasius aquaculture productivity in three Upazills of Patuakhali through community participation | To assess the prospect of adoption of Thai pangus culture technique in the homestead farming system and market potentialities and business promotion in Patuakhali region. | 28th March 2018 to 27th April, 2018 | € 7,877      | Project started per 25 March and staff is being mobilised. | Advance claim              |                   |                  |

## 2. Projects completed

The following project was completed in Q1-2018. The final report is available on request and will be published soon on the BGP website.

| Name of applicant                         | Proposal topic                                | Main objective   | Project duration                  | Costs (EUR) | Details  |
|---|---|--|-----------------------------------|-------------|--|
| <b>ProPortion Inc &amp; Grameen Intel</b> | Feasibility for Agriculture advisory services | Assessing whether a package of soil testing kits together with a number of other digital agriculture advisory services is attractive to WMG members in BGP area Khulna | 1 May '17 - 31 Dec '17 (8 months) | € 30,220    | After a final presentation on 27 December 2018 to DAE and BG TA staff, PP&GI delivered with a delay of two months its draft final feasibility study report (incl pilot design). The BG TA team believes the pilot design lacks innovativeness and is not acceptable. It is expected that BGP will directly buy services from PP&GI and sell those to farmers in the BGP area. This does not fit into BGP principles. We have therefore decided to not continue our collaboration with PP&GI. |

### 3. Proposals in final stage of review

Two proposals are currently under review. The draft proposals are available on request.

| Date received | Name of applicant               | Proposal topic      | TA Lead Advisor | Fund type              | Budget (EUR)    | Current status   |
|---------------|---------------------------------|---------------------|-----------------|------------------------|-----------------|--|
| 31/01/2017    | <b>LCP</b>                      | Farmer Market Place | Shahidul Haque  | Productive Sector Fund | € <b>25,000</b> | Negotiating financial budget. Contract agreements and signing postponed to August 2018.  |
| 08/10/2017    | <b>Aspire &amp; Insects4All</b> | Insect Fish Feed    | Tanvir Islam    | Productive Sector Fund | € <b>52,587</b> | Aspire & Insects4All successfully delivered a feasibility study on Insect Fish Feed, and BGIF is keen to continue with them for a pilot if they are able to meet governmental biological risk regulations and set up a partnership with an academic institution. They have established contacts with Patuakhali university and submitted with delay a proposal, which is currently under assessment by the TA team |

## 4. Concepts under development

The following concepts are under development in Q1-2018. The concept notes are available on request.

| Date received | Name of applicant         | Proposal topic  | TA Lead Advisor | Fund type               | Details  |
|---------------|---------------------------|---|-----------------|-------------------------|--|
| 18/12/2017    | <b>Action Aid</b>         | Unpaid care work  | Roksana Begum   | Productive Sector Fund  | Awaiting first concept note. Action Aid indicated they want to work on a shared resources implementation basis, which is not feasible considering our fully occupied BGP polder teams. We are exploring alternatives.  |
| 04/01/2018    | <b>GeolInfo Solutions</b> | AgroSim (serious game): An Agent Based System for Knowledge Acquisition and Representation  | TBC             | Water Management Sector | Participated in the solicited call but were not shortlisted, due to lack of local contextual knowledge. They were keen to participate in BGP special mission, but since that one is cancelled they will proceed to develop an improved proposal by contacting local partners.                            |
| 14/02/2018    | <b>Green Soil Bag</b>     | Low cost revetment of embankments with soil bags filled with grass seeds  | Delowar Hossain | Water Management Sector | They will come back in April 2018 and present their idea to BG team. Mr. Delowar will visit one of their site in Siranganj and provide feedback.   |
| 05/03/2018    | <b>Acacia</b>             | Managed Aquifer Recharge  | Jahangir Alam   | Water Management Sector | Paid visit to Khulna office on 5 March 2018 to discuss context in Khulna and MAR options. Developing a concept note at the moment.   |
| 15/03/2018    | <b>Khulna University</b>  | NutriVITA: An integrated approach for socio-economic development of the marginal fish farmers through species-optimization using low-lost feeds | TBC             | Productive Sector Fund  | We are happy to receive an application from Khulna university, but we are assessing whether this project has added value compared by the recent executed IF project of WorldFish on fish feed. We also provided feedback to focus on white fish, not prawn, for reasons of environmental sustainability. |

## 5. Project concepts/proposals rejected

The following projects have been rejected in Q1-2018. Concept notes can be provided upon request.

| Date received | Name of applicant                            | Proposal topic                                      | Lead Advisor               | Fund type              | Details   |
|---------------|--|---|----------------------------|------------------------|---|
| 21/05/2017    | <b>SHARE bangladesh</b>                      | Women Empowerment in Agriculture                    | Roksana Begum              | Productive Sector Fund | Received revised concept note, but concept lacked innovativeness. Feedback sent in mid-November 2017. Awaiting revision for more than 4 months, therefore rejected.   |
| 09/07/2017    | <b>WUR Plant International</b>               | Extra K+ fertilization for watermelon and mung bean | Shamim Alom                | Productive Sector Fund | Request for feasibility study via DNG. Skype call with TA team in Khulna on 21 Aug 2017. Concept note received on 13 Sep 2017 and feedback provided by TA team in begin October 2017. Reminders sent. Awaiting for more than 5 months for revised concept note.   |
| 08/08/2017    | <b>Huizing Harvest BV</b>                    | Mechanisation solutions                             | Shaifullah / Karel T'Jonck | Productive Sector Fund | Request for feasibility study via DNG. Email exchanges with clarifications request and on 28 September Skype call with BGP TA team and CIMMYT. First concept received but poor Value-for-Money. HuizingHarvest decided to involve students to do a desktop research. We received the student report, but are still awaiting revised concept note. Since we are waiting for more than 5 months, decided to reject. HuizingHarvest also indicated that in spring season they too busy to work on projects outside Europe. |
| 27/08/2017    | <b>VSO</b>                                   | Youth Business Support Consultants                  | Judith de Bruijne          | Productive Sector Fund | VSO came initial to us for crab farming proposal in August 2017, but that was not considered environmentally sustainable by the TA team. Requested them to focus on their core strengthen of empowering youth and business development. After several reminders sent, we are waiting for more than 6 months on a concept note. Decided to reject.   |
| 12/09/2017    | <b>Seolfor</b>                               | Moringa plantations                                 | Karel T'Jonck              | Productive Sector Fund | Skype call organised on 10 October 2017 were idea was presented. Feedback provided. Awaiting revised concept note for more than 5 months and therefore rejected.  |
| 20/09/2017    | <b>BioMyGreen</b>                            | Organic seed coating with Mycorrhiza yeast          | Sumona Das                 | Productive Sector Fund | Request for feasibility study via DNG. Procedure Manual sent. Skype call conducted on 9 October. Awaiting draft concept note. Had plan to visit Bangladesh end of November, but cancelled travel. After several reminders, no follow up since then, therefore rejected.   |
| 30/09/2017    | <b>FarmerTree Services &amp; Away4Africa</b> | Polder Farm Planner                                 | Karel T'Jonck              | Productive Sector Fund | Submitted concept note as part of solicited call Improved Information for Agriculture. Concept note declined, but has potential if the approach would be less high tech. Discussions in Arnhem office took place to simply concept note and develop full proposal. Received revised proposal on 5 February 2017, however TA team has mixed feelings and some consider it still as too far fetched.  |

| Date received | Name of applicant                         | Proposal topic  | Lead Advisor                            | Fund type              | Details  |
|---------------|---|---|---|------------------------|--|
| 23/10/2017    | <b>Eijkelkamp</b>                         | Soil testing kits   | Judith de Bruijne                       | Productive Sector Fund | Pending for more than 5 months. Seems to have no interest anymore.   |
| 27/12/2017    | <b>SUNFARM</b>                            | Sunflower cultivation   | Md. Shaifullah                          | Productive Sector Fund | The idea to produce sunflower oil and market it is not innovative. BGP has already demonstrated sunflower in the polders without much success. There is no viable business model included. In fact, edible oil market in Bangladesh is complex and replacing one natural source by another one require huge time, effort and acreage.                              |
| 27/12/2017    | <b>TECH-GEN</b>                           | Smart Poultry Farm  | Dr. Munir Ahmed                         | Productive Sector Fund | It is proposed to generate electricity from biogas produced from poultry manure (process is not well described though). In fact poultry manure cannot produce biogas that efficiently to generate electricity. Furthermore, it does not provide any solution to constraints of polder dwellers.  |
| 28/12/2017    | <b>Regen</b>                              | Waste management  | Dr. Munir Ahmed                         | Productive Sector Fund | The idea is not innovative. Garbage collection is the duty of City Corporation. It does not address any BGP polder level constraints.  |
| 30/01/2018    | <b>SACO Enterprise</b>                    | Strengthen WMGs through involving in community agro-business development                          | Rabiul Alam/Shaiifullah/Shah idul Haque | Productive Sector Fund | The innovativeness of this proposal is being questioned. It rather seems a standard form of mungbean contract farming. Also the Value for Money is being questioned.   |
| 31/01/2018    | <b>PSTU, Dr. Moazzem Hossain</b>          | Cage culture technique of stinging catfish  | Tanvir Islam                            | Productive Sector Fund | Market development/business development part of the proposal is not clear described. Also the Value for Money is being questioned.   |
| 05/03/2018    | <b>FutureWater</b>                        | Potential FutureWater innovations for Blue Gold area.   | Mofazzal Ahmed                          | Water Management Fund  | FutureWater participated in our solicited call for Improved Information Services for Agriculture and was shortlisted. However, did not belong to the final 3 contract awards, since the proposal lacked local contextual understanding. Is keen to continue under the unsolicited procedure, however the new ideas proposed are considered to lack innovativeness. |
| 15/02/2018    | <b>Single Spark &amp; BoP</b>             | FeedCalculator: Empowering smallholder livestock and fish farmers in Khulna and Sathkira district | Dr. Munir Ahmed / Rayhan Ali            | Productive Sector Fund | The proposal does not address our main beneficiary group (poor subsistence farming households), but rather commercially operating larger farmers. Similar apps have been developed before, so the innovativeness of the idea is questionable. Furthermore, we believe the proposal does not provide value for money.   |
| 16/02/2018    | <b>PSTU, Dr. Md. Anwar Hossain Mondal</b> | Crab fattening  | Tanvir Islam                            | Productive Sector Fund | Some coastal farmers are involved collecting crablets (Crab larva) from nature to fatten them, since no crab hatchery exist in Bangladesh to produce crablets. During the collection of crablets, collectors destroy lot of other species. Blue Gold is very concerned about the environmental degradation it is causing. Therefore, we have rejected the project. |



## 6. Promotion activities

To ensure a continuous flow of applications to and to demonstrate the effectiveness and possibilities of Blue Gold's Innovation Fund (BGIF), we are undertaking the following activities:

### Participation of Dutch SMEs

Since the roll-out of the Innovation Fund in 2015, the applications to the fund have been characterized by a relatively small participation of Netherlands based enterprises. The majority of applications came from Bangladesh-based enterprises. As the Innovation Fund is aimed at giving practical implementation to the 'Aid to Trade' policy of EKN in Bangladesh, a larger involvement of Dutch enterprises within the scope of the Innovation Fund is desirable. Not only for the development of Dutch business in Bangladesh, but also for the opportunities that this provides for collaboration between the Netherlands and Bangladesh.

Together with DNG/No.9, the Innovation Fund has finalised a marketing campaign, titled 'Ondernemen in Bangladesh', using email, social media (LinkedIn, Twitter) and a website ([www.oibd.nl](http://www.oibd.nl)) to target SMEs and entrepreneurs from the Netherlands. The marketing campaign was launched on June 1<sup>st</sup>, 2017 and ran till mid October 2017. It resulted in 17 requests for feasibility studies by Dutch organisations.

In the meanwhile, all applicants have been reviewed and unfortunately, we needed to reject all (see also previous chapter). The main reason for rejection was a limited understanding of the local context and therefore poor fitting solutions. Also during the solicited call "Improved Information for Agriculture", we received a number of applications from potential organisations, but with a lack of understanding of the local circumstances.

We did encourage a number of applicants (from both the SME campaign and solicited call) to attend a special Blue Gold mission for Dutch SMEs. Though the initial interest was high with 8-10 organisations applying, the tentatively planned mission date in April did not suit the schedule of 3 organisations while another 2 organisations had found their way to Bangladesh already via other projects; 2 organisations believed they could not tailor their type of innovation to meet the context of south Bangladesh and dropped out. We kept in touch with 3 organisations, which we have been encouraging to develop revised concept notes. Unfortunately, we rejected already one (Farmer Tree Services & Away4Africa), but we are still in touch with one organisation to continue efforts connecting them to a local partner.

### Participation of local organisations

As part of continuous effort of reaching appropriate practical-oriented researchers for unsolicited proposals, additional visits and meetings were arranged at Khulna University of Engineering & Technology (KUET) and Patuakhali Science & Technology University (PSTU) with few key faculty members and shared with them information about BG Innovation Fund. We explained in brief opportunities available for applying with unsolicited proposal and shared with them relevant process. They have all shown their interest in applying for BGIF and promised to share the information with a wider audience. From PSTU we received in the meanwhile 2 concept notes, which we both unfortunately needed to reject (see chapter 5).

### Production of projects videos

Broadcasting the activities of the Innovation Fund can stimulate adoption and replication, and even form the motivation for the development of new innovative approaches. In order to promote a wider

dissemination of knowledge and lessons-learned, the Innovation Fund is currently developing project videos for successful innovation projects.

The project videos are produced by the implementing partners of the Innovation Fund and targeted towards people generally interested in development. These could be citizens from the Netherlands or Bangladesh, academicians, development practitioners, donors, government agencies or partner organizations. The project videos' primary focus is the innovation itself: how did the idea for the innovation come up, where and how has it been implemented, what went well and what went wrong during implementation, what are the lessons learned, and what kind of future is there for this innovation?

Next quarter, we expect the video of WorldFish on the EcoPond concept to be finished. All developed videos can be viewed via <http://www.bluegoldbd.org/innovationfund/project-video/>.

### **BGIF Booklet – “Inspiring innovation projects at a glance”**

The development of executive summaries of Innovation Fund projects can stimulate adoption and replication, and even stimulate the development of new innovative approaches. In order to promote a wider dissemination of knowledge and lessons-learned, the Innovation Fund has developed executive summaries for 10 successfully completed innovation activities. The summaries are 2 pages highlighting the project objectives, activities (expected) impact, lessons learnt, sustainability and upscaling potential. All summaries have a similar format and include photos and visuals. The publication will be circulated in the end of April. An update with additional innovation project examples will be developed in 2019.

## 7. Financial report

From now onwards this chapter will not only contain information on total contracts awarded and forecasts for the next quarter, but also figures on total expenditure up to date, semi-allocated contracts, and remaining amounts to be spend.

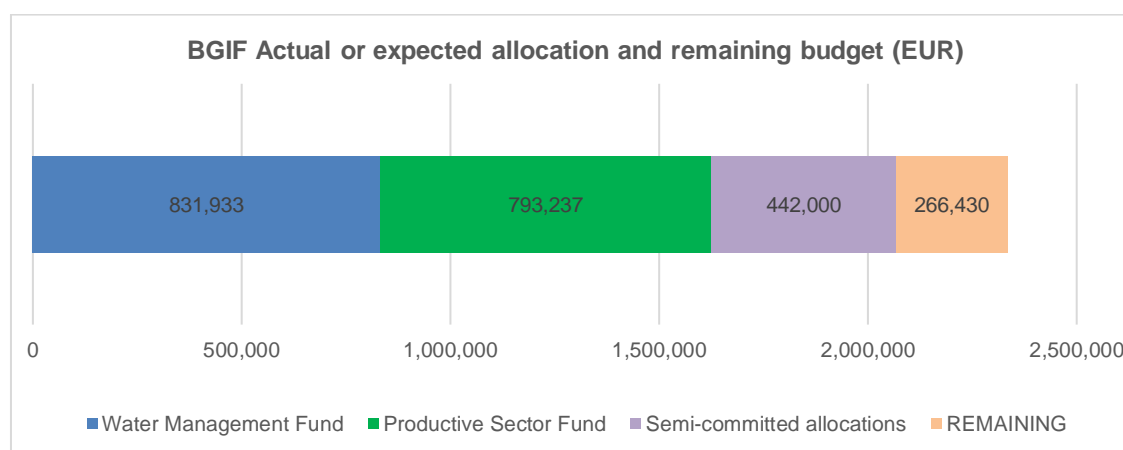
After a thorough evaluation of financial figures in the end of 2017, it was noticed that a few contracts signed under the BGIF in 2013 and 2014 were missing in the total overview of contracts awarded. We have corrected for those and developed an integral overview of all BGIF contracts in both EUR and BDT (including VAT and AIT payments), making no distinction anymore between solicited and unsolicited procedure contracts, and included management costs<sup>1</sup>.

### BGIF financial overview

Find below BGIF financial overview as of 30 March 2018:

|                               | Total Contract Amount (BDT) | Total Contract Amount (EUR) | Actual or expected allocation <sup>1</sup> (EUR) | Total paid (EUR) |
|-------------------------------|-----------------------------|-----------------------------|--|------------------|
| <b>Water Management Fund</b>  | <b>37,460,019</b>           | <b>349,968</b>              | <b>831,933</b>                                   | <b>680,005</b>   |
| <b>Productive Sector Fund</b> | <b>59,088,125</b>           | <b>212,874</b>              | <b>793,237</b>                                   | <b>472,504</b>   |
| <b>OVERALL TOTAL</b>          |                             |                             | <b>1,625,170</b>                                 | 1,361,977        |
| Semi-committed allocations    |                             |                             | 442,000  |                  |
| <b>REMAINING</b>              |                             |                             | <b>266,430</b>                                   |                  |
| <b>TOTAL BUDGET</b>           |                             |                             | <b>2,450,000</b>                                 |                  |

<sup>1</sup> Including management costs



<sup>1</sup> The Innovation Fund is managed by staff of the technical assistance team: ad hoc basis Kim Janssen (until Dec 2014), full-time basis Boudewijn Sterk (Jan 2015 - July 2017), and part-time basis Judith de Bruijne and Tanvir Islam (from Jul 2017).

As the above overview demonstrates, the total value of contracts awarded so far under the Water Management Fund and Productive Sector funds are more or less of equal size.

Major contracts awarded under the Water Management Fund involve the “Low cost embankment protection measures in tidal rivers (polder 29) project” with a total value of about EUR 350k. This project is in its final stage, and most payments have been made. We are expecting a final payment to NHC in the end of April 2018, when their final monitoring report will be submitted.

Under the Productive Sector Fund, we signed a large contract (EUR 132k) with mPower for the “Breed Identification and Digital Registry of Cattle” project recently. We have also many running projects under this fund and invoices to be expected still (BSMRAU, BAU-GC, UP-WBC-II, see also chapter 1). The currently outstanding amount of about 300k can be mostly attributed to those projects.

We have semi-committed an amount of about EUR 442k to: (a) awarding another 2 contracts under the solicited call “Improved Information for Agriculture” to MetaMeta and CIMMYT (EUR 133k each); (b) supporting the implementation of phases II and III of United Purpose projects “Women Business Centres” and “Sustainable Water Management Indigenous Finance & Technology” if they perform well in previous phases (EUR 150k allocated); (c) a feasibility study for a Farmers Hub with vegetable seedling production by Light Castle Partners (EUR 25k allocated) – would start already in Rabi 2017.

### Future planning

Assuming we will stick to our semi-committed allocations and keep management handling fees in line with current spending (13% or less), we have about EUR 270k remaining to spend on awarding new contracts. Our intention is to award as much as possible new contracts before or just after 30 June 2018. We have started communicating that our application deadline closes on 30 June 2018.

We have about five concepts notes and one proposal in the pipeline, however we foresee that perhaps only 1 or 2 will have enough maturity and innovativeness to be implemented under BGP.

One option, as suggested during ARM-2017, could be organising another solicited call, which should result in awarding 2 or 3 larger contracts. However, after internal discussions we have not been able to identify one priority need in the BGP polder areas for which we could address a large number of organisations in Bangladesh and the Netherlands to come up with competitive solutions. We either ended up with specialised topics which we know only a few organisations can deliver or potential solutions which do not require large budgets to be tested and implemented. Proceeding with the unsolicited procedure seems thus to be more logical.

For this reason, we have started a process of identifying about 3 to 4 topics which address priority problems in the Blue Gold area around water management and agriculture. For each topic, we will make an A4 handout with a problem description and solution criteria. We intend to circulate those among all organisations on our BGIF distribution list (>100 in total), with a final call for unsolicited proposals to address these problems. Concept notes should be delivered latest 1 June 2018 and proposals 30 June 2018. We will use BGIF booklet and videos as an additional means of promotion and engagement towards potential applicants.

By this means we hope to initiate another 3 to 5 small or medium sized projects for priority needs and allocate the remaining budget to these new contracts in the coming 3 to 4 months.