



# **Independent Performance Evaluation Guideline (IPEG) of State Owned Enterprises and Autonomous Bodies**

**Scheme on Strengthening of State Owned Enterprises' Governance  
Strengthening Public Financial Management Program  
to Enable Service Delivery (SPFMS)**

**Monitoring Cell  
Finance Division, Ministry of Finance**

**Government of the People's Republic of Bangladesh  
[www.mof.gov.bd](http://www.mof.gov.bd)**

**Government of the People's Republic of  
Bangladesh**



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of  
State Owned Enterprises and Autonomous Bodies**

**Monitoring Cell  
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**March, 2021**



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## Abbreviations and Acronyms

ABs	Autonomous Bodies
APA	Annual Performance Agreement
BDT	Bangladesh Taka
CSR	Corporate Social Responsibility
DG	Director General
DSL	Debt Service Liabilities
FD	Finance Division
FY	Fiscal Year
FYP	Five Year Plan
GO	Government Order
GOB	Government of Bangladesh
IPE	Independent Performance Evaluation
IPEC	Independent Performance Evaluation Committee
IPEG	Independent Performance Evaluation Guideline
MC	Monitoring Cell
MOF	Ministry of Finance
SDGs	Sustainable Development Goals
SOEs	State Owned Enterprises
SPFMS	Strengthening Public Financial Management Program to Enable Service Delivery
TA & DA	Travelling Allowance and Daily Allowance
VAT	Value Added Tax
WPPF	Workers' Profit Participation Fund



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তারিখ: ১৫ মার্চ ২০২১ খ্রি:  
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**বিষয়ঃ রাষ্ট্রায়ত্ত্ব ও স্বায়ত্তশাসিত প্রতিষ্ঠানসমূহের জন্য প্রণীত “Independent Performance Evaluation Guideline (IPEG)” জারিকরণ।**

উপর্যুক্ত বিষয়ে সদয় দৃষ্টি আকর্ষণপূর্বক জানানো যাচ্ছে যে, আর্থিক সংস্কার কার্যক্রমের আওতায় ২০১৮-২০২৩ মেয়াদে “Public Financial Management (PFM) Action Plan” বাস্তবায়নের লক্ষ্যে অর্থ বিভাগ “Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS)” কর্মসূচী গ্রহণ করেছে। উক্ত SPFMS কর্মসূচীর আওতায় “Strengthening of State Owned Enterprises’ Governance” স্কিম এর অধীনে “Independent Performance Evaluation Guideline (IPEG) ” প্রণয়ন করা হয়েছে।

২। “Independent Performance Evaluation Guideline (IPEG)” এর মূল লক্ষ্য হলো রাষ্ট্রায়ত্ত্ব ও স্বায়ত্তশাসিত প্রতিষ্ঠানসমূহের আর্থিক ও প্রশাসনিক ব্যবস্থাপনা উন্নয়ন এবং আর্থিক শৃঙ্খলা নিশ্চিতকরণ। এ গাইডলাইনে সন্নিবেশিত স্কেরিং পদ্ধতির মাধ্যমে রাষ্ট্রায়ত্ত্ব ও স্বায়ত্তশাসিত প্রতিষ্ঠানের আর্থিক ও অ-আর্থিক কর্মকান্ড এবং কর্মদক্ষতা মূল্যায়ন করার সুযোগ রাখা হয়েছে। এরূপ মূল্যায়নের মাধ্যমে ভাল ফলাফল অর্জনকারী প্রতিষ্ঠানে কর্মরত কর্মকর্তা ও কর্মচারীদের জন্য প্রণোদনা প্রদানের ব্যবস্থা রাখা হয়েছে। গাইডলাইনটি বাস্তবায়িত হলে রাষ্ট্রায়ত্ত্ব ও স্বায়ত্তশাসিত প্রতিষ্ঠানসমূহের সামগ্রিক কর্মকান্ডের উন্নয়ন সম্ভব।

৩। অর্থ বিভাগের অনুমোদনক্রমে রাষ্ট্রায়ত্ত্ব ও স্বায়ত্তশাসিত প্রতিষ্ঠানসমূহের কর্মদক্ষতা মূল্যায়নের লক্ষ্যে প্রণীত “Independent Performance Evaluation Guideline (IPEG) ” জারি করা হলো।

৪। এ গাইডলাইনটি মার্চ, ২০২১ হতে কার্যকর হবে।

সংযুক্তিঃ IPEG-এর কপি।

২৫.০৬.২০২০

(আরফিন আরা বেগম)  
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বিতরণঃ(জ্যেষ্ঠতার ক্রমানুসারে নয়)

- ১। মন্ত্রিপরিষদ সচিব, বাংলাদেশ সচিবালয়, ঢাকা।
- ২। মুখ্য সচিব, প্রধানমন্ত্রীর কার্যালয়, তেজগাঁও, ঢাকা।
- ৩। সিনিয়র সচিব/ সচিব.....
- ৪। চেয়ারম্যান/ মহাপরিচালক/ নির্বাহী পরিচালক/ ব্যবস্থাপনা পরিচালক.....
- ৫। অতিরিক্ত সচিব (প্রশাসন ও ব্যয় ব্যবস্থাপনা/ বাজেট/ প্রবারা), অর্থ বিভাগ।
- ৬। অতিরিক্ত সচিব/যুগ্মসচিব (রাষ্ট্রায়ত্ত্ব প্রতিষ্ঠান অনুবিভাগ/ ট্রেজারি ও ঋণ ব্যবস্থাপনা অনুবিভাগ/ বাজেট-১,২ অনুবিভাগ/ সামষ্টিক অর্থনীতি/ অর্থনৈতিক উপদেষ্টা অনুবিভাগ), অর্থ বিভাগ।
- ৭। সিনিয়র সচিবের একান্ত সচিব, অর্থ বিভাগ।
- ৮। অফিস কপি।



## Section 1: Introduction

- I) The Government of Bangladesh (GoB) is committed to reform the State Owned Enterprises (SOEs)/Autonomous Bodies (ABs) to ensure Good Governance and improved Financial and Operational performance. To this effect, it has formulated the Independent Performance Evaluation Guideline (IPEG) to evaluate independently the performance of the SOEs/ABs. The Guideline adheres to the principles articulated in the Companies Act 1994/2013, Financial Reporting Act 2015, The Bangladesh Securities and Exchange Commission Act 1993 and The Code of Corporate Governance 2018.
- II) The Policy Guideline is aligned with the goals of '**Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS)**' approved by the Honorable Prime Minister. Subsequently, Finance Division has given administrative approval to the SPFMS (Annexure-1).
- III) IPEG elaborates the roles, responsibilities, methodologies, and procedures for carrying out an Independent Performance Evaluation (IPE) of selected SOEs/ABs. It describes, over each evaluation cycle, the use of the outcome of IPE for improving performance of SOEs/ABs and the indicators measuring such performance. The IPEG recommends incentivizing the employees of excellent, very good, good and fair performing SOEs/ABs and improvement of any specific or general performance criteria as well as annual performance evaluations of SOEs/ABs based on Annual Performance Agreements (APA).



## 1.1 Short Title and Commencement

- I) The Guideline will be known as the Independent Performance Evaluation Guideline (IPEG) of State-owned Enterprises (SOEs) and Autonomous Bodies (ABs) . It describes how GoB evaluates the performance of SOEs/ABs in addition to existing evaluations by the line ministries/divisions based on Annual Performance Agreement and/or incentive schemes currently in practice. The Guideline is issued with the approval of Senior Secretary, Finance Division on March 11, 2021.
- II) The Guideline will be effective immediately and be applicable to all SOEs and ABs.
- III) The directives for the Independent Performance Evaluation of SOEs/ABs are embedded in the approved 'Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS)' .

## 1.2 Definition

- I) State Owned Enterprise (SOE) is an entity established as statutory corporation, company under the Companies Act, board, authority, institution, enterprise, unit and created by any other legal form in which the Government of Bangladesh has ownership of any degree with the objectives of earning revenue and/or discharging public service obligations.
- II) Autonomous Body (AB) is also an SOE which is a wholly owned government body, distinct from public administration, created by law, with objectives of achieving specific policy goals or public service obligations, with no significant income from regular operations, having autonomy and being accountable to the Government of Bangladesh.
- III) Independent Performance Evaluation (IPE) means the periodic review to assess the performance of SOEs/ABs through an impartial process which will be free from any prejudice.
- IV) Independent Performance Evaluation Committee (IPEC) means the committee authorized by the Finance Secretary to oversee the performance evaluation of SOEs/ABs within the purview of this guideline.
- V) Evaluation Research Team means the team comprising officers and consultants formed and assigned with specific roles and responsibilities by Monitoring Cell.
- VI) Senior Management means the highest level of managers immediately below the level of Board of Directors of SOEs/ABs.
- VII) Policymakers mean officials at the level of Minister, Secretary and Additional Secretary.
- VIII) Financial Statements mean interim or final statement of financial position, statement of profit or loss, income statement or statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements and their explanations for a specific period.
- IX) Annual Report means the evidence which contains the financial statements of the public interest entities, the audit report thereon and the statements provided by the directors of those entities along with the operational reflections.
- X) Guideline means Independent Performance Evaluation Guideline (IPEG).
- XI) Underperforming SOE/AB means nonperforming SOE/AB whose achievement score in the Independent Performance Evaluation (IPE) is 40% or below.
- XII) Board means the Board of Directors of concerned SOE/AB.

## Section 2: Objectives and Institutional Arrangements

### 2.1 Objectives

- I) SOEs/ABs play a pivotal role in advancing development of Bangladesh. They provide important contributions to the major sectors such as industry, energy, transport, telecommunication, water, education, health, agriculture, banking and finance, among others. IPEG intends to enable an environment in which the SOEs/ABs are accountable, transparent, and operate efficiently and effectively. For that a sound performance evaluation of SOEs/ABs is required Independent Performance Evaluation (IPE) will be the process of assessing the accomplishments of performance against national and/or international standards and weights, incentivizing good performers and recommendations for areas of improvement. The IPEG provides general, technical and operational guidance for the IPE.
- II) The objectives of the IPE are to improve the efficiency, transparency and accountability of SOE/AB operations while maintaining their autonomy in order to produce greater outcomes that will contribute to the national economy. The IPE will ensure that SOE/AB maintains their management autonomy and there shall be no micro-management of SOE/AB operation by government.

### 2.2 Stakeholders of IPEG

The IPEG is issued by Monitoring Cell, Finance Division accompanied by a Government Order (GO). On receipt of the GO, line ministries/divisions will issue instructions to comply with their respective SOEs/ABs. To conduct the IPE of SOEs/ABs, the primary stakeholders of the IPEG are Finance Division, Monitoring Cell, Line Ministries/Divisions, SOEs/ABs and the Independent Performance Evaluation Committee (IPEC).

### 2.3 Institutional Arrangements

#### 2.3.1 Finance Division

The Finance Division has overall responsibility for financial administration and expenditure management; therefore, the Finance Division has the responsibility to ensure that SOEs/ABs operate efficiently and are viable to reduce their dependency on government's financial support. The role of the Finance Division will be but not limited:

- I) To select members of IPEC : Finance Secretary will select the members of IPEC, on the basis of recommendations of the Monitoring Cell from an up-to-date pool of suitable candidates.

- II) To approve the selection of SOEs/ABs for IPE: Finance Secretary will approve the selection of SOEs/ABs for IPE based on the results of the SOE/AB selection criteria.
- III) To approve IPE reports: Finance Secretary will approve IPE reports presented by Monitoring Cell.
- IV) To share IPE reports with other policymakers: Finance Secretary/Additional Secretary will share and discuss IPE results with the relevant Secretary/Additional Secretary of the line ministries/divisions and the Cabinet Division.
- V) To resolve IPE result disputes: Finance Secretary may seek advice from the Finance Minister to resolve any issues or disputes relating to IPE results.
- VI) To approve incentive/award for good/better performing SOEs/ABs: Finance Secretary will approve the incentives to excellent, very good, good and fair performing SOEs/ABs recommended by Monitoring Cell. Moreover, Finance Secretary will approve the awards for required number of top performing SOEs/ABs recommended by Monitoring Cell.
- VII) To approve the amendments of IPEG: Finance Secretary will approve the amendments of IPEG, recommended by the Director General (DG), Monitoring Cell, as and when necessary. Upon approval of Finance Secretary, the amendments will be incorporated into IPEG.

### 2.3.2 Monitoring Cell

Monitoring Cell will be the supervising agency for IPE. The role and function of Monitoring Cell will be but not limited:

- I) To maintain a pool of suitable IPEC candidates: Monitoring Cell will request for nominations of suitable candidates for the IPEC pool from concerned ministries/divisions/institutions/organizations, public/private universities, entrepreneurs, practitioners and civil society.
- II) To recommend the selection of SOEs/ABs for IPE: Monitoring Cell will recommend SOEs/ABs to undergo the IPE, based on the selection criteria indicated in section 3.2 of IPEG.
- III) To notify the selected SOEs/ABs for IPE: After the approval of Finance Secretary, Monitoring Cell will notify the selected SOEs/ABs, about the IPE schedule and other requirements for carrying out IPE through line ministries/divisions.
- IV) To organize IPE launch workshop: Upon nomination of the IPEC and selection of SOEs/ABs for IPE, the Monitoring Cell will organize and conduct IPE launch workshop.

- V) To ensure transparency, accountability and disclosure : The final IPE reports will be presented to the policymakers and excellent, very good & good performing IPE reports will be published on the website of Monitoring Cell, Finance Division.
- VI) To act as the secretariat for IPEC : Monitoring Cell will perform as the secretariat of the IPEC. For this purpose, Monitoring Cell will :
  - a) Prepare IPE parameters including specific indicators;
  - b) Set scoring criteria and weights for IPE;
  - c) Receive information for IPE from SOEs/ABs;
  - d) Recruit experts/consultants for IPE;
  - e) Support IPEC in the evaluation process; and
  - f) Share interim IPE reports with SOE/AB boards and line ministries/divisions for comments.

### 2.3.3 Independent Performance Evaluation Committee (IPEC)

The IPEC will be comprised maximum ten (10) members including experts and accomplished professionals from related fields. The committee will oversee the IPE to be conducted annually of selected SOEs/ABs. The Finance Secretary will approve the nomination of ten members for the IPEC. The committee will report to the Director General of Monitoring Cell. IPEC will work as an independent technical (officials and experts) advisory committee. The role and function of the IPEC will be but not limited :

- I) To participate in the IPE launch workshop : The workshop is to be organized to provide an overview of the principles of the IPEG and an over view the selected SOEs/ABs.
- II) To provide technical advice on the inception report : All performance indicators are based on the evaluation indices described in section 3.4. Each year IPEC is required to finalize the performance indicators in line with the evaluation indices as part of the inception report. The performance indicators will be specific to the selected SOEs/ABs. The inception report will include a list of all relevant information and documents that are required from SOEs/ABs for conducting the evaluation.
- III) To provide technical advice to the evaluation research team : The IPEC will provide technical advice as needed by the evaluation research team; especially, with regard to benchmark SOEs'/ABs' performance with similar entities operating nationally and/or internationally; to validate the information provided by SOEs/ABs; to carry out the necessary analysis to ascertain the SOEs'/ABs' results against the performance indicators; to prepare a set of checklist/queries/questionnaires for the inspections.

- IV) To lead the SOE/AB inspections: Members of IPEC will lead the discussions with the board members and senior management of SOEs/ABs during inspections. The IPEC is required to conduct meetings with selected SOEs/ABs to gain more in-depth understanding of the SOEs'/ABs' mandate, performance and any other issues identified during the review and validation of the documents submitted by the SOEs/ABs.
- V) To review and approve the evaluation scores: The IPEC shall fairly and without prejudice review the evaluation scores prepared by the evaluation research team. The IPEC shall provide technical advice to the evaluation research team in preparing evaluation scores and shall, in approving the evaluation scores, reach consensus among the IPEC members and with the evaluation research team that the ratings are justified.
- VI) To review and provide advice on the IPE report: The reports will be drafted by the evaluation research team for the review of the IPEC. According to section 4.1 two evaluation reports are required. An aggregate report is to be prepared, which incorporates the results of the performance evaluation for all selected SOEs/ABs and the other report, is a set of individual reports of the evaluation results for each SOE/AB. The feedback from SOEs/ABs will be incorporated in the final reports.
- VII) To approve the next steps for the selected SOEs/ABs: IPEC will review and finalize the recommendations for improvement and the incentives. The IPEC will recommend the required number of top performing SOE/AB to be awarded at the annual award ceremony.
- VIII) To inform the findings of the performance evaluation to the policymakers: IPEC will communicate the results of the performance evaluation at a high-level meeting with senior officials of Finance Division and other ministries/divisions as required.
- IX) To close the evaluation period: The lessons learned from the evaluation process shall be reviewed and improvements shall be recommended for the following year's evaluation cycle.

### 2.3.4 Evaluation Research Team

The evaluation research team will be formed by Monitoring Cell comprising officers and consultants of the Monitoring Cell. Team members will be assigned to different groups for specific SOEs/ABs. The role of the evaluation research team will be but not limited:

- I) To organize the IPEG workshops and other events: The workshops will be arranged to provide an overview of the principles of the IPEG and an overview of the selected SOEs/ABs. The relevant stakeholders as approved by the Director General of the Monitoring Cell will attend the award ceremony.

- II) To notify selected SOEs/ABs : Ensure that all selected SOEs/ABs are notified of their selection for IPE and that they are well informed of the evaluation process.
- III) To prepare an inception report setting out the evaluation performance indicators and a list of all required documents : With the technical advice of IPEC, each year the evaluation research team will prepare inception reports setting performance indicators in line with evaluation indices as per section 3.4 and a list of relevant information and documents that are required from SOEs/ABs for conducting the evaluation. The team will validate the collected information.
- IV) To conduct relevant research : Complete research assignments of relevant data required for benchmarking SOEs'/ABs' performance indicators with similar entities operating nationally and/or internationally. Carryout the necessary analysis to ascertain the SOEs'/ABs' results against the performance indicators.
- V) To prepare questionnaires for the interviews : A set of checklist/queries/questionnaires is to be used by the IPEC to conduct the SOEs'/ABs' inspections. The evaluation research team will also participate in these inspections.
- VI) To arrange surveys : Based on the performance indicators, engage survey firm(s), if needed, and conduct in-depth interview with key stakeholders and/or a sample of customers.
- VII) To Conduct the IPE : Using the research, analysis, document review, survey and inspection, prepare the evaluation score for each SOE/AB. The evaluation research team shall carry out the evaluation fairly and without prejudice.
- VIII) To draft the independent evaluation reports : The reports will be drafted by the evaluation research team for the review of the IPEC. Section 4.1 sets out that two evaluation reports are required. An aggregate report is to be prepared, which incorporates the results of the performance evaluation for all SOEs/ABs and the other, is a set of individual report of the evaluation results for each SOE/AB. The final reports are required to incorporate feedback from the SOEs/ABs.
- IX) To prepare a list and recommendations for underperforming SOEs/ABs : Based on performance evaluation results, prepare a list of underperforming (score of 40% or below) SOEs/ABs and recommend improvement and monitoring for each underperforming SOE/AB as well as propose for turnaround strategy.
- X) To present the IPE results : The result of the performance evaluation is to be presented to senior officials of Finance Division and other ministries/divisions/SOEs/ABs as required.

### 2.3.5 Line Ministries/Divisions

Line ministries/divisions will carry out the regulatory functions for SOEs/ABs. The portfolio ministries and in special cases the Cabinet Division and Finance Division, shall have the responsibility for policy direction of SOEs/ABs. The role of the line ministries/divisions will be but not limited :

- I) To participate in the IPE launch workshop : The workshop will be organized to provide an overview of the principles of the IPEG and an overview of the selected SOEs/ABs.
- II) To circulate Government Order (GO) for IPE guideline : Monitoring Cell, Finance Division will issue and circulate the GO for the effectiveness of the IPEG. Line ministries/divisions are required to circulate the said GO to the respective SOEs/ABs within two weeks of receipt from Finance Division.
- III) To review the IPE report : The IPE report will be distributed to the respective line ministries/divisions by Monitoring Cell. Line ministries/divisions will review the IPE report and provide feedback to the Monitoring Cell within four weeks through the Board of SOEs/ABs, if the Board does not exist then through the proper authority of SOEs/ABs.

### 2.3.6 SOE/AB Board of Directors

The role of the SOE/AB Board of Directors is to formulate the strategic directions and to provide oversight of the entity. In this regard, the role of the SOE/AB Board of Directors in the IPE will be but not limited :

- I) To participate in the IPE launch workshop : The workshop will be organized to provide an overview of the principles of IPEG and an overview of the selected SOEs/ABs.
- II) To facilitate meeting with IPEC and evaluation research team : As a part of the IPE, the IPEC and the evaluation research team will request for meeting with the board of directors to seek clarity, if needed.
- III) To review IPE report : Board of Directors will review the IPE report in coordination with the senior management of SOEs/ABs and provide feedback to the line ministries/divisions within two weeks of receipt the report.
- IV) To approve action plan : SOE/AB that receives fair or underperforming score will prepare an action plan on the basis of turnaround strategy to implement the recommendations of the IPE. The Board will approve the action plan.



### 2.3.7 Senior Management of SOEs/ABs

Senior Management includes the highest level of managers immediately below the level of Board of Directors of SOEs/ABs. The role of Senior Management of SOEs/ABs will be but not limited :

- I) To participate IPE launch workshop : The workshop will be organized to provide an overview of the principles of the IPEG as well as the selected SOEs/ABs.
- II) To provide all relevant information : SOEs/ABs shall provide information and documents as required by Monitoring Cell and will cooperate for meeting of IPE.
- III) To review the IPE report : Senior Management of SOEs/ABs will review the IPE report and provide feedback to the line ministries/divisions through their Boards within two weeks of receipt of the report.
- IV) To prepare action plan : SOE/AB that receives fair or underperforming score will prepare an action plan on the basis of turnaround strategy to implement the recommendations of the IPE.

## Section 3 : Independent Performance Evaluation (IPE)

### 3.1 List of SOEs/ABs

Monitoring Cell will prepare a list of SOEs/ABs of Bangladesh as defined in the guideline for the approval of the Finance Secretary. The list of SOEs/ABs will include all entities in which the Government of Bangladesh has ownership of any degree with the objectives of earning revenue and/or discharging public service obligations; an entity that receives government grants as the majority/part of its total income and entities that are subsidiaries of another entity. The list of SOEs/ABs will be maintained and updated by Monitoring Cell annually, so that the newly incorporated SOEs/ABs or closure of any existing SOEs/ABs are duly accounted for.

### 3.2 Selection Criteria of SOEs/ABs for Performance Evaluation Cycle

- I) Within May of each year, Monitoring Cell will recommend the SOEs/ABs to undergo the IPE to the Finance Secretary. Upon approval of the Finance Secretary, Monitoring Cell will notify the selected SOEs/ABs through respective line ministries/division. An SOE/AB selected once for IPE will remain in cycle for three consecutive years.
- II) The objective of the selection criteria is to identify a mix of SOEs/ABs of varying performance levels to undergo the IPE. The mix will include SOEs/ABs that have low and high performance based on profitability, have good potential to improve in short to medium term, and have received significant grants from government. More than one SOE/AB may fall within a criterion; in this event, Monitoring Cell may extend the selection criteria to include multiple indicators. If any criterion of selection parameter does not match with SOEs/ABs, Monitoring Cell will have option to select considering other criteria. Monitoring Cell will use SOE/AB database (including their annual report/annual financial report) of financial and non-financial indicators as the source of data for selection. At least 10% of the selected SOEs/ABs will be Autonomous Bodies. Apart from the selected SOEs/ABs, line ministries/divisions may request Monitoring Cell to evaluate the performance of SOEs/ABs under their portfolios.
- III) The Finance Secretary will approve amendments of selection criteria on the recommendation of the Director General of Monitoring Cell.
- IV) By FY 2022-2023, at least 50 SOEs/ABs will undergo Independent Performance Evaluation (IPE) as per the following table:

**Table-1 : SOEs'/ABs' Selection Parameters**

	Indicator	Description	Indicative number of SOEs/ABs
Financial Performance Indicators	Profit	SOEs/ABs with highest profit earning/income over expenditure for previous three consecutive years	20%
	Return on Assets	SOEs/ABs, whose return on assets is highest and/or not incurring net loss for previous three consecutive years	20%
	Grants	SOEs/ABs, which received highest grants from government	20%
	Debt	SOEs/ABs with the highest debt	20%
	Most potential	SOEs/ABs, whose performance is gradually improving for last three consecutive years	10%
Labor Force Indicator	Human Resource	SOEs/ABs with the highest number of employees	10%
	Total SOEs/ABs to be selected		100%

### 3.3 Independent Performance Evaluation Schedule

- I) The IPE will evaluate the approved selected SOE's/ABs' performance for a period of three consecutive financial years' ex-post. One schedule will be used for each year to carry out the IPE with June 30 fiscal year end.
- II) By the end of May of each year, on the recommendation of Monitoring Cell, Finance Secretary will approve the selection of SOEs/ABs and Monitoring Cell will notify the approved SOEs/ABs that will undergo the IPE.
- III) Within August of each year, the Finance Secretary will approve the nomination of IPEC based on the recommendation of Monitoring Cell. Monitoring Cell will organize the IPE launch workshop following the formation of IPEC and approval of the selected SOEs/ABs. IPEC, the respective line ministries/divisions and representatives from the selected SOEs/ABs will attend the workshop. Following the IPE launch workshop, the IPEC will finalize and approve the IPE inception report and the evaluation research team shall request the relevant information and documents from the respective SOEs/ABs. The inception report will provide the detail evaluation parameters, (as per section 3 of the guideline) specific for the SOEs/ABs that have been selected. At all times where possible, the indicators should allow for benchmarking that will help to identify performance gaps.

- IV) Within January of each year, the evaluation research team will complete the IPE under the guidance of the IPEC. The IPEC shall approve the results of the IPE.
- V) Within March of each year, the IPE results will be finalized to include the feedback received from SOEs/ABs. Performance improvement recommendations will be communicated and final evaluation report will be submitted to Secretary, Finance Division for approval.
- VI) Within April of each year, the approved performance improvement recommendations for SOEs/ABs will be communicated to the respective SOEs/ABs. The excellent, very good and good performing IPE reports will be published on the website of Monitoring Cell, Finance Division.
- VII) Within June of each year, the IPEC will conduct a review of IPE process and submit recommendations to the Director General of Monitoring Cell. An award ceremony will be held for the required number of top performing SOEs/ABs.
- VIII) By May 31 of each Fiscal Year, SOEs/ABs will be selected to undergo the IPE based on previous Years' financial report.

**Table-2 : IPE Timeline for SOEs/ABs with July to June Fiscal Year**

July 01 to August 31	September 01 to January 31	February 01 to March 31	April 01 to April 30	May 01 to June 30
IPEC notified and workshop completed	Inception Report submitted by October 31	IPE interim report discussed with SOEs'/ABs' senior management	Final IPE report approved	Reward ceremony for required number of top performing SOEs/ABs
Inception Report prepared	IPE conducted, drafted reports and approved by IPEC	Performance improvement recommendations communicated	IPE reports communicated to SOEs/ABs	Excellent, very good and good performing reports published on website of Monitoring Cell, Finance Division
Relevant documents requested from SOEs/ABs		Final Evaluation report submitted to the Secretary, Finance Division		Revise evaluation indicators, if required

### 3.4 Independent Performance Evaluation Methodology

The IPE measures progress of SOEs/ABs against evaluation criteria using indices, weights and indicators that are both financial and non-financial. The evaluation criteria describe SOEs'/ABs' business and governance performance. There are significant differences in weights used for SOEs/ABs as they operate differently to some extent. The IPE must abide by the principles of impartiality, objectivity, independence, credibility and usefulness. If any variation is required to the IPE methodology, it needs prior approval of the Director General of Monitoring Cell.

**Table-3 : Evaluation Criteria : Weights, Indices, Indicators and Types of Measure**

Criteria	Weights		Indices	Indicators	Types of measure
	SOE	AB			
Business and Governance	25	30	Business Strategy and Social Responsibility	<ol style="list-style-type: none"> <li>1. Entity strategy (strategic plan, policy, action plan, other);</li> <li>2. Growth trajectory (net income/surplus of income over expenditure, sales, service, innovative growth, other);</li> <li>3. Effective implementation of public policy;</li> <li>4. Project, program implementation rate;</li> <li>5. Social contribution (CSR, WPPF, other).</li> </ol>	Qualitative and Quantitative
	25	30	Operational Efficiency	<ol style="list-style-type: none"> <li>1. Service delivery;</li> <li>2. Labor/capital productivity;</li> <li>3. Production indicators (capacity utilization rates, input usage rates, turnover of assets, turnover of inventory, other).</li> </ol>	Quantitative and Qualitative
	30	20	Financial	<ol style="list-style-type: none"> <li>1. Financial performance (operating profit/ operating cash surplus/surplus of income over expenditure, profit before tax, return on assets, return on sales, return on equity, net worth growth, capital budget utilization, other);</li> <li>2. Financial risks (debt to equity ratio, debt to asset ratio, debt coverage ratio, current ratio, accounts receivable period, accounts payable period, other);</li> <li>3. Received from government (debt, equity, subsidy, grants, transfers, other);</li> <li>4. Paid to government (DSL, dividend, other).</li> </ol>	Quantitative
	20	20	Corporate Governance Practices	<ol style="list-style-type: none"> <li>1. Commitment to corporate governance (code of conduct, ethics, conflict of interest, policy, appointment of corporate secretary, other);</li> </ol>	Qualitative and Quantitative

Criteria	Weights		Indices	Indicators	Types of measure
	SOE	AB			
				2. Board practices (vision and mission, appointment of independent directors, formation of board committees, oversight of appointment and dismissal of senior managers, monitoring implementation of board decisions, other); 3. Transparency and disclosure (publication of annual report, audited financial statements, compliance of regulators' rules, regulations, following the rules of right to information, other); 4. Control environment and process (ensure safe working conditions, periodically review control system established by management, other). 5. Performance as per APA indicators.	
Total weights	100	100			

Note: IPE report will be prepared on the basis of indicators, applicable to the respective SOEs/ABs.

**Table-4: Measuring Tools of Indicators and Sub-indicators**

Following measuring tools shall be used for each of the above sub-indicators:

Indicators	Sub-Indicators	Measuring Tools
<b>Business Strategy and Social Responsibility Indicators</b>		
Entity Strategy	Entity strategic plan	Alignment of entities' mandate, mission, vision with National Strategic Plans; Government Policy Directives of FYPs, SDGs, Perspective Plan 2041 and Bangladesh Delta Plan 2100.
Growth Trajectory	Year on year net income/surplus of income over expenditure	Subtract the previous year's value from the evaluated year's value, divided by previous year's value, multiplied by 100.
	Sales, service, other growth, innovative growth	New product, service, process development technology upgraded, other.

Indicators	Sub-Indicators	Measuring Tools
Effective Implementation of Public Policy	Implement activities to achieve policy goals	Review public policy goals and measure implementation progress.
Efficiency of Project Implementation/Project Goal Achievement	Percentage of estimated target achieved	Financial and physical progress of the project; achievement of project target; number of project visit by project personnel, project reports and documents
Social Contribution	Environmental contribution	Examine whether the directives issued by the appropriate authority has been followed; Efforts to positively impact the environment
	Corporate Social Responsibility and Workers Profit Participation Fund	Creation of job opportunity, CSR, WPPF, efforts to contribute to community development
	Volunteering	Internship opportunities for young people
	Training opportunities	Efforts to contribute beyond the entities' core mandate
<b>Operational Efficiency Indicators</b>		
Product, Service Delivery	Product, service benefits and accessibility	Whether the product, service benefit meets customer needs and easily accessible
Labor Productivity	Added value/average number of employees	
Capital Productivity	Added value/ total assets	
Production	Input use efficiency	Usages rates of major input(s)
	Inventory turnover	Cost of sales/average inventory
	Asset turnover	Sales/total assets
	Capacity utilization	Actual output/maximum possible output x 100

Indicators	Sub-Indicators	Measuring Tools
<b>Financial Indicators</b>		
Financial Performance	Operating profit/surplus of income over expenditure	Operating income minus operating expenses/operating cash surplus
	Profit before tax	Total income minus operating and interest expenses
	Return on assets	Net income (profit after tax) divided by total assets
	Return on Sales	Net income (profit after tax) divided by total sales
	Return on equity	Net income (profit after tax) divided by shareholder equity
	Net worth growth	Shareholders' equity for the current period as a percentage of the previous period's shareholders' equity
	Capital budget utilization	Actual capital expenditure divided by total capital budget allocation
Financial Risk	Debt equity ratio	Total liabilities divided by total shareholders' equity
	Debt to assets	Total liabilities divided by total assets
	Debt coverage ratio	Operating cash surplus divided by interest expenses plus principal installments
	Current ratio	Current assets divided by current liabilities
	Accounts receivable period	(Trade debtors x 365 days)/credit sales
	Accounts payable period	(Trade creditors x 365 days)/credit purchases
Transaction with Government	Dividend paid	Total dividend transferred to the government
	Taxes paid	Include: corporate income tax, customs duty, supplementary duty, VAT



Indicators	Sub-Indicators	Measuring Tools
	Fees & charges paid	Include: fees, fine, penalties, charges, stamp etc.
	New government investment	Debt and equity components
	Debt Service Liabilities	Principal and interest components
	Subsidies, grants, transfers	Total government grants, subsidies transferred to SOEs/ABs
Corporate Governance Indicators		
Commitment to Corporate Governance	Whether the entity has a code of conduct, ethics, key policies for the board, employees and its operations and functions; Whether the entity has a formal written conflict of interest policy; Whether the entity has appointed a corporate secretary to ensure the smooth running of board activities.	
Board Practices	Whether the board is appointed based on the SOE's/AB's governing law; Whether the board sets the strategy, oversees appointment and dismissal of senior management and supervises senior management, based on broad mandates and objectives; Whether the board possesses the required skill to set appropriate strategy for the entity; Whether the board has independent directors and board committees (including audit committee); The board has a system of monitoring implementation of its previous decisions and evaluating board performance.	
Transparency and Disclosure	Whether the entity makes information available timely to public including online reporting: inclusive of the names and biographies of board of directors and senior managers, annual report, audited financial statements, applicable code of conduct and citizen charter, APA, status of law suit etc.	
Control Environment and Process	Whether the entity has an internal control system, internal audit function with sufficient authority, independence, resources and access to the board; Whether the board has responsibility for reviewing the system of internal controls established by management; and Whether the board has sufficient measures to mitigate emergency situations and facilitate safe working environment.	

Indicators	Sub-Indicators	Measuring Tools
Performance against the key Indicators of APA	Scale of 1 to 4 points will be awarded to SOE/AB based on the total performance score achieved on APA:	
	APA Score	Points to be included in IPE
	Excellent	4
	Very good	3
	Good	2
	Fair	1
Poor	0	

### 3.4.1 Evaluation Scoring Grade

- i) Evaluation scoring grade will be as follows:

**Table-5: Grade and Guide to Score**

Grade	Guide to Score	Score
Excellent	Achieved a total weighted marks between 91-100%	4
Very good	Achieved a total weighted marks between 81-90%	3
Good	Achieved a total weighted marks between 71-80%	2
Fair	Achieved a total weighted marks between 41-70%	1
Underperforming	Achieved a total weighted marks between 0-40%	0

- ii) SOEs/ABs graded excellent, very good, good and fair, will be provided incentives as stated in section 5.2. Recommendations for further improvement will be shared with SOEs/ABs that will receive fair or underperforming grade.

## 3.5 Performance Evaluation Techniques

### 3.5.1 Quantitative Assessment

- i) Financial indicators will be evaluated on the basis of the audit reports and scored by applying measuring tools set in the IPE Methodology;
- ii) Performance score of each indicator will be evaluated considering national and/or international best practices/standards.

### 3.5.2 Qualitative Assessments

- i) Qualitative Indicators scoring will be based on specific documentary evidence as proof of performance;
- ii) Performance scoring would be done by collective decision making process and by quantifying qualitative performance, as much as possible, in terms of number of key policies framed and number of implementations of board's policy.

### 3.6 Formation of Independent Performance Evaluation Committee

The Monitoring Cell will recommend the nomination of the members of IPEC, from an up-to-date pool of suitable candidates, to the Finance Secretary. Monitoring Cell will ensure an appropriate skill mix in IPEC members. Finance Secretary will approve the final composition of ten members of IPEC and their duties will be assigned based on the recommendation of the Director General of Monitoring Cell. A representative of Monitoring Cell will be the member-secretary of IPEC and will provide administrative support for matters relating to the functions of the Committee. Members of IPEC may be renewable based on the recommendation of the Director General of Monitoring Cell.

#### 3.6.1 Composition and selection of IPEC

- I) The IPEC will comprise ten members, among which a chairperson will be selected by the members present in the first meeting. The composition of the committee will be as below:

**Table-6 : Independent Performance Evaluation Committee (IPEC)**

1	Director General, Monitoring Cell, Finance Division	Member
2	Representative of Cabinet Division (Joint Secretary/above)	Member
3	Representative of Finance Division (Joint Secretary/above)	Member
4	Representative of SOE Wing, Finance Division (Joint Secretary/above)	Member
5	Representative of Concerned Line Ministry/Division (Joint Secretary/above)	Member
6	Representative of Civil Society/Business community/ Entrepreneur/Lawyer/Practitioner	Member
7	Professional Expert (Professor of Public/Private University from related field)	Member
8	SOE Expert (Sector Specialist/Economist/Engineer/Agriculturist /Scientist/ Researcher)	Member
9	Technical Expert (Expert in Financial Management or Accounting/Professional Accountant/ Representative of Financial Reporting Council)	Member
10	Additional Director General/Director, Monitoring Cell	Member Secretary

- II) Representatives from serial number 5 to 9 will be reshuffled on the basis of SOEs'/ABs' operation.

### 3.6.2 Qualification of IPEC Members

The members of IPEC will be selected considering the candidates' competence, capacity, diversity and independence :

- I) Competence : The qualification, relevant professional experience and leadership skills.
- II) Capacity : The availability of time and firm commitment.
- III) Diversity : The mix of skills, gender and religion.
- IV) Independence : No direct connections to any SOEs/ABs.

### 3.6.3 Termination of Duties of IPEC Members

Chairperson of IPEC may recommend to the Director General of Monitoring Cell for the termination of duties of a member of IPEC, if s/he :

- I) fails to attend three consecutive meetings;
- II) fails to carry out his/her duties;
- III) has been punished by a professional institution;
- IV) is found to have been convicted of a criminal offense;
- V) receives any financial/non-financial benefits directly or indirectly from any matter relating to SOEs/ABs; and
- VI) is found to have connections with any SOEs/ABs undergoing the evaluation and which would put into question the independence of the committee.

### 3.6.4 The IPEC Meetings

IPEC members may attend two to four meetings each month, if required. IPEC may invite key stakeholders in the meetings. A meeting may be called in order, if 70 percent of IPEC members are in attendance.

## 3.7 Planning and Conducting the Independent Performance Evaluation

The IPEC will finalize the IPE inception report prepared by the evaluation research team. The selected SOEs/ABs will be guided by the inception report accordingly. It will provide the detail evaluation parameters, specific to the SOEs/ABs, in keeping with section 3 of the guideline.

- I) The IPE will be conducted by the evaluation research team under the technical supervision of IPEC. The evaluation research team will be formed by Monitoring Cell. Team members will be assigned to different groups for specific SOEs/ABs. The evaluation research team will collect, review and validate SOEs'/ABs' data, information; visit SOEs/ABs and discuss with the Board of Directors and its committees, corporate secretary, senior managers, staff and examine relevant documents, as necessary. The evaluation research team will prepare the evaluation scoring for approval of IPEC.
- II) Travelling Allowance and Daily Allowance (TA & DA) will be given to the members of the evaluation research team. There will be provision of honorarium/incentives for the members (excluding consultants) of evaluation research team.
- III) Monitoring Cell may contract consultancy firm(s) or individual(s) to conduct the IPE in consultation with IPEC. Monitoring Cell will decide the number of members of the evaluation research team in accordance with the number of SOEs/ABs selected in a given year.
- IV) To launch the IPE, Monitoring Cell shall issue a GO to communicate the list of selected SOEs/ABs, IPEC members and IPE schedule to the selected SOEs/ABs through their respective line ministries/divisions. The GO will also seek assignment of a focal point counterpart within each selected SOE/AB for carrying out IPE.
- V) All SOEs/ABs shall comply with the request for submission of documents. In no way shall any information deemed to be private and confidential (i.e. personnel, personal data) be disclosed. Documents required from SOEs/ABs for review as a part of the evaluations may include:
  - a) Performance contracts of senior managers (if in place);
  - b) Annual report, audited financial statements, management letters and reports by auditors;
  - c) Reports of internal auditors;
  - d) Internal performance review documents/management reports;
  - e) Governing law;
  - f) Board charter;
  - g) Strategic plans;
  - h) Minutes of board meetings and general meetings of shareholders; and
  - i) Any other documents deemed to be relevant by IPEC and/or evaluation research team.

### 3.8 Cost composition for Independent Performance Evaluation

The cost for carrying out IPE shall be borne by the Scheme on Strengthening of SOEs' Governance under SPFMS Program. The cost composition for carrying out the performance evaluations includes :

- a) Professional fees;
- b) Computer and accessories;
- c) Travel expenses (including TA & DA);
- d) Printing and stationery;
- e) Advertising;
- f) Workshop;
- g) Hosting of the award ceremony;
- h) Honorarium; and
- i) Any other IPE related expenses.

## Section 4: Independent Performance Evaluation Reports

### 4.1 Independent Performance Evaluation Reports

The IPEC will finalize the evaluation report based on IPE results of SOEs/ABs. Monitoring Cell will submit the final evaluation report for approval of Finance Secretary. Two evaluation reports will be produced: an aggregate report and an SOE/AB specific report. The aggregate report will contain IPE results of all SOEs/ABs that underwent IPE and the SOE/AB specific reports shall be the report of each SOE/AB that underwent IPE. Draft IPE report will be shared with each SOE/AB through the line ministries/divisions for comments to be received within four weeks of sharing the draft IPE report. After necessary review and incorporation of feedback, IPE reports will be recommended by IPEC for approval of Finance Secretary. The aggregate report and the individual SOE/AB report will thereafter be shared by Monitoring Cell with selected SOEs/ABs through the line ministries/divisions. IPE reports will be presented to the policymakers and excellent, very good & good performing reports will be published on the website of Monitoring Cell, Finance Division.

### 4.2 Composition of IPE Reports

IPE reports will have the following sections:

- I) Aggregate Report
  - a) Executive summary;
  - b) Overview of IPE process;
  - c) Rationale of selection of SOEs/ABs;
  - d) Overview of SOEs/ABs;
  - e) Consolidated performance of SOEs/ABs;
  - f) Recommendations for improvements.
  
- II) SOE/AB Specific Report
  - a) Executive summary;
  - b) Role and functions;
  - c) Core business and organization structure;
  - d) Evaluation parameters;
  - e) IPE process;
  - f) Performance evaluation results;
  - g) Recommendations for performance-based incentives;
  - h) Recommendations for improvements.

## Section 5 : Performance Incentives

### 5.1 Rewarding the SOEs/ABs

Based on the results of the IPE, the Monitoring Cell will recommend the reward for required number of top performing SOEs/ABs to Finance Secretary for approval. An awarding ceremony for the recommended SOEs/ABs will be hosted within two months of approval of the performance evaluation reports. The award will be presented to the head of the SOE/AB or the representative.

### 5.2 Performance Linked Incentives for Employees

Based on the results of the IPE, the Monitoring Cell will recommend incentives for the excellent, very good, good and fair performing SOEs/ABs to Finance Secretary for approval. All employees will be entitled to an incentive bonus proportionate to their basic pay. The Monitoring Cell, in consultation with line ministries/divisions and SOE/AB board of directors, shall confirm the incentives, which may additionally be a blend of non-financial and financial rewards. The expenditure incurred by SOEs/ABs relating to implement the incentive scheme will be met up from their budget.

**Table-7 : Incentives Parameters**

All Employees	Financial incentives		Non-financial incentives
	IPE final score	Bonus (percentage of one-month basic pay)	
	Excellent	Up to 100%	Ministerial citation, promotion in line with Service Rule, relevant coaching, capacity building and knowledge exchange program.
	Very good	Up to 75%	
	Good	Up to 50%	SOE/AB improvement plans, relevant coaching, capacity building, proposal for turnaround strategy.
	Fair	Up to 25%	
	Underperforming	0%	

### 5.3 Penalties for Fraudulent Report

If an SOE/AB provides any fraudulent report during the IPE process to score better performance results, then bonus payment will be recovered and departmental action will be taken against the concerned person. Failure of SOEs/ABs to comply with the requirements of IPE may lead to the matter being reported to Finance Secretary, if unresolved, to the Minister of Finance for further intervention.

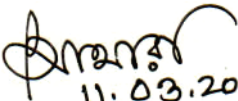


## 5.4 Dispute Resolution

If an SOE/AB believes that it has been mistreated during IPE, the matter may be reported to the Director General of Monitoring Cell. Should the matter remain unresolved, it may be escalated to the Finance Secretary, followed by the Minister of Finance. Dispute resolution in case of misuse of information, disclosure or misrepresentation will be handled as per the existing relevant laws.

## 5.5 Unprecedented events

The relevant parameters of the evaluation guideline may undergo modifications when natural or man-made calamities are known to cause unprecedented changes in functioning of SOEs/ABs, not comprehended earlier.



11.03.2021

**(Arfin Ara Begum)**  
Director General (Additional Secretary)  
Monitoring Cell, Finance Division  
Ministry of Finance



11.03.2021

**(Abdur Rouf Talukder)**  
Senior Secretary  
Finance Division, Ministry of Finance

## Annexure-1 : GO of SPFMS

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার  
অর্থ মন্ত্রণালয়, অর্থ বিভাগ  
বাজেট অনুবিভাগ-১, অধিশাখা-৩  
www.mof.gov.bd

নং-০৭.০০.০০০০.১০৩.১৮.০০১.১৭-৪৮৬

তারিখঃ ৬ অগ্রহায়ণ ১৪২৫  
২০ নভেম্বর ২০১৮

প্রেরকঃ মোহাম্মদ সাইদুল ইসলাম  
উপসচিব, অর্থ বিভাগ

প্রাপকঃ প্রধান হিসাব রক্ষণ কর্মকর্তা  
অর্থ বিভাগ, অর্থ মন্ত্রণালয়  
সেগুন বাগিচা, ঢাকা

বিষয়ঃ অর্থ বিভাগ কর্তৃক বাস্তবায়নের জন্য গৃহীত 'Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS)' শীর্ষক কর্মসূচির প্রশাসনিক অনুমোদন।

জনাব,

আমি নিম্নস্বাক্ষরকারী নির্দেশক্রমে পরিচালন বাজেটের আওতায় Special Sector Program হিসেবে অর্থ বিভাগের অধীন বাস্তবায়নের জন্য গৃহীত 'Strengthening Public Financial Management Program to Enable Service Delivery (SPFMS)' শীর্ষক কর্মসূচির প্রশাসনিক অনুমোদন জ্ঞাপন করছি।

২। অনুমোদিত কর্মসূচির বাস্তবায়ন মেয়াদকাল ২০১৮-১৯ হতে ২০২২-২৩ অর্থবছর পর্যন্ত।

৩। কর্মসূচির সম্ভাব্য (Indicative) মোট ব্যয়সীমা হবে ১৭০ মিলিয়ন মার্কিন ডলার (এক হাজার চারশত আটাশ কোটি টাকা)। তন্মধ্যে ১০০ মিলিয়ন ডলার বিশ্বব্যাংকের অন্তর্ভুক্ত International Development Association (IDA) হতে ঋণ হিসেবে গ্রহণ করা হবে।

৪। মধ্যমেয়াদি বাজেট কাঠামোর আওতায় প্রদত্ত ব্যয়সীমার মধ্যে সংকুলান সাপেক্ষে প্রকৃত প্রয়োজনের নিরিখে বার্ষিক বাজেটে প্রস্তাবিত SPFMS কর্মসূচির জন্য অর্থ বরাদ্দ প্রদান করা হবে।

৫। DLI-সমূহ বাস্তবায়নের জন্য প্রয়োজনীয় বরাদ্দ ক্রিমের আওতায় প্রদান করা হবে। প্রস্তাবিত ক্রিমসমূহ মাননীয় অর্থমন্ত্রী অনুমোদন করবেন।

৬। প্রত্যেক পাতায় স্বাক্ষরিত অনুমোদিত প্রোগ্রাম ডকুমেন্ট একপ্রস্ত এসঙ্গে পরবর্তী ব্যবস্থা গ্রহণের জন্য প্রেরণ করা হলো।

স্বা.  
(মোহাম্মদ সাইদুল ইসলাম)  
উপসচিব

☎ ৯৫৬৩১৮৬

ইমেইল: saidulil@finance.gov.bd

নং-০৭.০০.০০০০.১০৩.১৮.০০১.১৭-৪৮৬

তারিখঃ ৬ অগ্রহায়ণ ১৪২৫  
২০ নভেম্বর ২০১৮

সদয় অবগতি ও প্রয়োজনীয় ব্যবস্থা গ্রহণের জন্য অনুলিপি (জ্যেষ্ঠতার ভিত্তিতে নয়):

১. সচিব, জনপ্রশাসন মন্ত্রণালয়, বাংলাদেশ সচিবালয়, ঢাকা
২. সচিব, অর্থনৈতিক সম্পর্ক বিভাগ, শেরেবাংলা নগর, ঢাকা
৩. অতিরিক্ত সচিব (প্রশাসন ও ব্যয় ব্যবস্থাপনা), অর্থ বিভাগ, বাংলাদেশ সচিবালয়, ঢাকা
৪. অর্থনৈতিক উপদেষ্টা, অর্থনৈতিক উপদেষ্টা অনুবিভাগ, অর্থ বিভাগ, বাংলাদেশ সচিবালয়, ঢাকা
৫. হিসাব মহানিয়ন্ত্রক, হিসাব মহানিয়ন্ত্রকের কার্যালয়, সেগুন বাগিচা, ঢাকা
৬. মাননীয় অর্থমন্ত্রীর একান্ত সচিব, অর্থ মন্ত্রণালয়, বাংলাদেশ সচিবালয়, ঢাকা
৭. উপসচিব (বাজেট ও পরিকল্পনা/বাজেট-১), অর্থ বিভাগ, বাংলাদেশ সচিবালয়, ঢাকা
৮. সচিবের একান্ত সচিব, অর্থ বিভাগ, বাংলাদেশ সচিবালয়, ঢাকা

স্বা.  
২০/১১/১৮  
(মোহাম্মদ সাইদুল ইসলাম)  
উপসচিব

## Annexure-2 : Confirmation Letter to IPEC Member

[Insert date]

[Insert name and address of board member]

Dear [insert]

Subject: Confirmation of nomination as a member of Independent Performance Evaluation Committee.

I am pleased to confirm your nomination as a member to the Independent Performance Evaluation Committee (IPEC).

The Government of Bangladesh, through the Monitoring Cell, is committed to ensure high standards of corporate governance, financial and operational performance in State Owned Enterprises and Autonomous Bodies. This letter serves to outline the terms and conditions of your nomination and provide you with information regarding your duties and responsibilities.

The IPEC is responsible for overall conduct of Independent Performance Evaluation. You are expected to appreciate and diligently discharge the duties and responsibilities placed on you as per Independent Performance Evaluation Guideline (IPEG).

You are required to affirm any matter which might pose a conflict of interest between your personal duty and your duty to the IPEC. It is also expected that any interest that limits your independence from State Owned Enterprises and Autonomous Bodies be disclosed.

Honorarium per meeting will be BDT 7,500.00 (Seven Thousand and Five Hundred).

Acceptance of Committee membership requires a high level of commitment in order for your contribution to add value to the evaluation process. You will be required to serve the assigned duties and your nomination is renewable based on performance and attend the meetings accordingly.

You may resign from the IPEC by written notice at any time. However, I expect that you give reasonable notice of your resignation so that there will be proper succession.

All information obtained during your nomination is confidential.

Kindly acknowledge your nomination by signing the attached copy of this letter and returning it to Monitoring Cell, Finance Division.

I look forward to working with you and the valuable contribution that you will make to the improved performance of State Owned Enterprises and Autonomous Bodies.

Yours sincerely

[Insert name and title]

## Acknowledgment

I \_\_\_\_\_ hereby accept the terms of nomination to the Independent Performance Evaluation Committee as set out in this letter.

Signature

Date

### **Annexure-3 : Selection of SOEs/ABs for IPE**

[Insert date]

[Insert name and address of board member]

Dear [insert]

Subject: Selection for the Independent Performance Evaluation

I am pleased to confirm that (entity name) has been selected to undergo Independent Performance Evaluation.

The Government of Bangladesh, through the Monitoring Cell, is committed to ensure high standards of corporate governance and optimal, financial and operational performance of State Owned Enterprises and Autonomous Bodies. The IPE Guideline was approved by the Finance Secretary on ..... date. The selection of (entity name) is in line with the SOE Selection Parameters, Section 3 of the Guideline.

The selection of (entity name) will enable all employees including board of directors benefit from fair and impartial performance review and recommendations and the associated incentives.

The Monitoring Cell has organized an informative workshop to be held on .....date at (venue and time). During the workshop, more information will be shared on the evaluation process, timelines and requirements. Kindly join us at the workshop.

Yours sincerely

[Insert name and title]

