



GLOBAL ENVIRONMENT FACILITY  
INVESTING IN OUR PLANET

February 03, 2017

Dear LDCF/SCCF Council Member,

I am writing to notify you that we have today posted on the GEF's website at [www.TheGEF.org](http://www.TheGEF.org), a Project Identification Form (PIF) for a full-sized project proposal from UNDP entitled ***Bangladesh: Integrating Climate Change Adaptation into Sustainable Development Pathways of Bangladesh (GEF ID: 8036)***, for funding under the Least Developed Countries Fund (LDCF). This PIF has been posted for Council approval by mail. Council Members are invited to review the PIF and to submit their comments (in Word file) to the GEF Secretariat's program coordination registry at [gcoordination@TheGEF.org](mailto:gcoordination@TheGEF.org) by March 03, 2017.

Following the streamlined procedures for processing LDCF proposals, Council members are invited to approve the following decision:

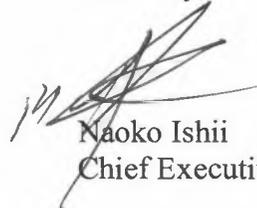
*The LDCF/SCCF Council reviewed the PIF entitled **Bangladesh: Integrating Climate Change Adaptation into Sustainable Development Pathways of Bangladesh (GEF ID: 8036)** (LDCF Project Grant \$5,700,000) (Agency Fee \$541,500), posted on February 03, 2017 and approves it on a no objection basis subject to the comments submitted to the Secretariat by March 03, 2017.*

*The Council finds that the PIF (i) is, or would be, consistent with the Instrument and GEF policies and procedures, and (ii) maybe endorsed by the CEO for final approval by the GEF Agency, provided that the final project document fully incorporates and addresses the Council's and the STAP reviewer's comments on the PIF, and that the CEO confirms that the project continues to be consistent with the Instrument and GEF/LDCF/SCCF policies and procedures.*

*The final project document will be posted on the GEF website for information after CEO endorsement. If the GEF CEO determines that there has been a major change to the present scope and approach since PIF approval, the final project document shall be posted on the web for Council review for four weeks prior to CEO endorsement.*

In accordance with this decision, if the Secretariat has not heard from you in writing by March 03, 2017 we will assume that you approve the PIF.

Sincerely,



Naoko Ishii  
Chief Executive Officer and Chairperson

Copy to: Country Operational Focal Point, Alternates, GEF Agencies, STAP, Trustee



**PROJECT IDENTIFICATION FORM (PIF)**

**PROJECT TYPE: FULL SIZE PROJECT**

**TYPE OF TRUST FUND: LDCF**

For more information about GEF, visit [TheGEF.org](http://TheGEF.org)

**PART I: PROJECT INFORMATION**

Project Title:	Integrating climate change adaptation into sustainable development pathways of Bangladesh		
Country:	Bangladesh	GEF Project ID: <sup>1</sup>	8036
GEF Agency:	UNDP	GEF Agency Project ID:	5603
Other Executing Partner(s):	Ministry of Environment and Forests, Planning Commission, the Finance Division (Ministry of Finance), Local Government Division, Disaster Management and Relief, Ministry of Agriculture and Livestock, Ministry of Women and Children Affairs, Office of the Auditor General and the National Parliament	Submission Date:	February 19, 2015
		Resubmission Date:	March 24, 2015
GEF Focal Area(s):	Climate Change Adaptation	Project Duration (Months)	48
Integrated Approach Pilot	NA	Corporate Program: NA	
Name of parent program:	N/A	Agency Fee (\$):541,500	

**A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAMME STRATEGIES<sup>2</sup>:**

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	Trust Fund	(in \$)	
		GEF Project Financing	Co-financing
<b>Objective 2:</b> Strengthen institutional and technical capacities for effective <u>climate change adaptation</u>	LDCF	2,850,000	8,850,000
<b>Objective 3:</b> Integrate climate change adaptation into relevant policies, plans, and associated processes	LDCF	2,850,000	8,850,000
Total Project Cost		5,700,000	17,700,000

**B. INDICATIVE PROJECT DESCRIPTION SUMMARY**

Project Objective: To support Bangladesh in addressing climate change risks in the medium and long term.					
Project Component	Financing Type <sup>3</sup>	Project Outcomes	Trust Fund	(in \$)	
				GEF Project Financing	Co-financing
Enhancing information on climate change in support of the NAP process	INV	Climate and socio-economic information databases and functional national and sub-national systems established to inform and guide climate-resilient policy and decision-making	LDCF	1,700,000	12,000,000
Appraisal of adaptation options, including ecosystem and social costs and benefits	INV	Adaptation options including for vulnerable agro-ecological regions, population groups and sectors are appraised and implemented	LDCF	1,730,000	2,450,000

<sup>1</sup> Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.

<sup>2</sup> When completing Table A, refer to the GEF Website, [Focal Area Results Framework](#) that is an *Excerpt from GEF-6 Programming Directions*.

<sup>3</sup> Financing type can be either investment or technical assistance.

Institutional capacity-building for successful integration of CC into national budgeting and fiscal decision-making processes	TA	Required institutional and planning capacities established to integrate climate change adaptation in relevant budgeting, fiscal, planning and social protection frameworks at national & sub-national levels	LDCF	2,000,000	2,450,000
Subtotal				5,430,000	16,900,000
Project Management Cost (PMC) <sup>4</sup>			LDCF	270,000	800,000
<b>Total Project Cost</b>				<b>5,700,000</b>	<b>17,700,000</b>

If Multi-Trust Fund project: PMC in this table should be the total and enter trust fund PMC breakdown here (XXX)

**C. Indicative sources of co-financing for the project by name and by type, if available**

Please include confirmed co-financing letters for the project with this form.

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
Government	Ministry of Disaster Management and Relief of Bangladesh	Grant	15,000,000
GEF Agency	UNDP (through Inclusive Budgeting and Financing for Climate Resilience (IBFCR))	Grant	500,000
GEF Agency	UNDP (through Support to Sustainable and Inclusive Planning (SSIP) Project)	Grant	2,200,000
<b>Total Co-financing</b>			<b>17,700,000</b>

**D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY (IES), COUNTRY(IES) AND THE PROGRAMMING OF FUNDS<sup>a)</sup>**

GEF Agency	Trust Fund	Country/Regional/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing	Agency Fee	Total
UNDP	LDCF	Bangladesh	Climate Change	N/A	5,700,000	541,500	6,241,500
<b>Total GEF Resources</b>					<b>5,700,000</b>	<b>541,500</b>	<b>6,241,500</b>

a) No need to fill this table if it is a single Agency, single Trust Fund, single focal area and single country project.

b) Refer to the [Fee Policy for GEF Partner Agencies](#).

**E. PROJECT PREPARATION GRANT (PPG)<sup>5</sup>**

Project Preparation Grant amount requested: \$80,000					PPG Agency Fee: \$7,600		
GEF Agency	Trust Fund	Country/Regional/Global	Focal Area	Programming of Funds	(in \$)		
					PPG (a)	Agency Fee <sup>6</sup> (b)	Total
UNDP	LDCF	Bangladesh	Climate Change	N/A	80,000	7,600	87,600
<b>Total PPG Amount</b>					<b>80,000</b>	<b>7,600</b>	<b>87,600</b>

<sup>4</sup> For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

<sup>5</sup> PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to \$50k for PF up to \$1 mil; \$100k for PF up to \$3 mil; \$150k for PF up to \$6 mil; \$200k for PF up to \$10 mil; and \$300k for PF above \$10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

<sup>6</sup> PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

## F. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS<sup>7</sup>

Provide the expected project targets as appropriate. N/A

### PART II: PROJECT JUSTIFICATION

#### 1. Project Description.

##### *Climate change-induced problem*

Bangladesh decision-makers have recognized the risks associated with climate change, against the backdrop of high incidence of poverty and limited scope of formal employment of the poorer segments of its population. It is recognized that Bangladesh must make adaptation to climate change a national priority. The country has been allocating budget to climate-change adaptation (CCA) activities for over a decade. In 2005, Bangladesh became one of the first two LDCs to produce a National Adaptation Programme of Action (NAPA), revising the programme in 2009 (MOEF-UNDP, 2005). In 2008–2009, GoB formulated the Bangladesh Climate Change Strategy and Action Plan (BCCSAP), effectively grounding all subsequent national CCA activities (MOEF, 2009).

However, these efforts have not sufficed to systematically address the threats and risks the climate change, climate-induced natural disasters, and climate-induced socio-economic losses continue to pose to the development gains in Bangladesh. To illustrate, while the original NAPA report accommodated a set of 15 priority actions, it was updated in 2009 to facilitate the implementation of a further 18 priority adaptation measures. BCCSAP remains a relevant national document that incorporates a host of ideas on adaptation, though many of these are not being implemented as part of a whole-of-government approach to mainstream adaptation measures into planning and budgeting process.

GoB needs to ensure that its current development efforts build resilience to climate variability and change. Since BCCSAP, about US\$500 million has been allocated and subsequently spent on stand-alone CCA interventions. These activities have had limited, if any, synergy with other development projects. For improved and multiplier impact, CCA investments must be integrated with the overall development process and plans, including medium-term plans, such as the upcoming Seventh Five Year Plan (2016–2020) and Bangladesh Delta Plan 2100. Strategic investment in CC adaptation is essential to achieving sustainable growth.

##### *Long-term Solution*

The Government of Bangladesh's **long-term preferred solution** is to embark on a National Adaptation Plan (NAP) process which will allow for the framing of a medium- to longer-term approach to adaptation planning, building on existing efforts and addressing the following objectives:

- reducing vulnerability to the impacts of CC by building adaptive capacity and fostering resilience; and;
- facilitating within all appropriate sectors and levels the coherent integration of CC adaptation into relevant policies, programmes and activities, both new and existing, especially with development planning processes and strategies.

A national-level adaptation plan (NAP), including associated process, needs to be formulated which will help identify programme and project elements, and that is implemented in phases in synergy with overall development programmes and projects in Bangladesh.

Bangladesh is a signatory to UNFCCC. Bangladesh leads the discussions in many COP decision-making processes, and strongly contributes as part of the LDC Group and the Group of G77 and China. While the

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<sup>7</sup> Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period.

world anticipates a legally binding agreement being signed at COP21 in Paris, parallel processes are moving to facilitate a pathway for supporting a comprehensive agreement, including the finance mechanism through the establishment of the Green Climate Fund (GCF).

Bangladesh may be able to tap additional resources from international sources to tackle climate change, in the forms of technology transfer, capacity-building and finance. To ensure such cooperation, however, Bangladesh must demonstrate its readiness. The formulation of the NAP and engaging in the NAP process, as stipulated in the COP decisions, represents a major milestone in exhibiting such readiness. The NAP process should be seen as a process of mainstreaming climate change risks into planning and budgeting rather than simply producing, yet another, stand-alone plan.

### ***Barriers to overcome***

That said, the achievement of the preferred solution is hindered by several political, socio-economic, and institutional barriers, at both the national and sub-national level. These are:

- Lack of awareness regarding relevance of integrating climate change in national sector-wide development plans and weak institutional arrangements for execution: In particular, there is little reference to climate change in the budget and performance framework of most Ministries. For example, despite the fact that water related vulnerabilities are amongst the highest, the National Water Management Plan (prepared by the Water Resources Planning Organization (WARPO) of Ministry of Water Resources (MOWR), 2004) did not pay attention to climate change and considered it as a 'data gap' towards rolling out planned programmatic approach to solve water related issues. The recently adopted National Agricultural Policy has paid scant attention to the issue of climate change. The Bangladesh Climate Change Strategy and Action Plan (BCCSAP) does not elaborate on how inter-sectoral integration and coordination to integrate CCA with development activities, will be ensured; it also lacks strategic direction and a viable implementation framework.
- Lack of effective M&E system for adaptation initiatives: A number of CCA initiatives have been underway in Bangladesh for over 5 years. However, the relevance, effectiveness and impact of results has not been adequately addressed and therefore there is a vacuum in evidence-based knowledge generation of adaptation impacts. Recognizing that CCA is a slow, incremental and dynamic process that needs to be managed over time, it is critical in the context of enabling informed and effective national and sub-national policy responses, to set up a nation-wide modality (from local to central levels) towards taking stock of the impact and result of ongoing adaptation initiatives as well as emergent new needs and gaps at any given point in time. A management tool for M&E must be set up within the institutional mechanism for formulating and implementing a NAP in Bangladesh.
- Weak institutional coordination and capacity to address uncertainty: Informed and efficient decision-making for adaptation planning and financing in medium and long-term is largely dependent on effective scenario development based on socio-economic and climatic data involving different relevant planning and research wing of the government and other stakeholders. In light of challenges in coordination among relevant key agencies, coupled with lack of adequate and vetted data, Bangladesh is constrained to develop user friendly climate change related information that is critical for a wide range of decisions, contexts and levels. This is critical to prioritize future NAP related actions based on the multiple scenarios developed addressing the different axes of uncertainty.

### ***Baseline Scenario***

Bangladesh is currently designing and implementing a number of initiatives that are improving its planning, budgeting, and fiscal systems at the national and sub-national levels. GoB is also invested in addressing climate change through policy-level interventions as well as on-the-ground investments in partnership with development organizations, NGOs, bilateral and multi-lateral donors and Government institutions, all of which are shaping a dynamic baseline scenario on top of which a NAP process needs to embed on-to in a complimentary manner. These relevant ongoing activities include:

- 1) *Roadmap for Developing a National Adaptation Plan for Bangladesh (MoEF); Supported by UNDP Bangladesh with funding from Government of Norway, MoEF led a process to draft a Roadmap for Developing a NAP in Bangladesh, which was validated through a stakeholder consultation organized by MoEF in November 2014.*
- 2) *Comprehensive Disaster Management Programme Phase II, CDMP2 (MoDMR and UNDP). Total budget: US \$76.16 million; total co-financing to this LDCF-funded project: \$15 million)- This is a flagship collaborative initiative of the Bangladesh Ministry of Disaster Management and Relief (MoDMR) and UNDP. The initiative also provides technological and technical support to the Bangladesh Meteorological Department. Its core objective is to strengthen national capacity to manage risks related to disasters, as well as the immediate response and the recovery efforts. It is done through a comprehensive approach that focuses on all hazards, all phases of disaster management, and is involving all relevant stakeholders. CDMP Phase II has generated significant impacts so far, at both policy and grassroots levels, including: i) DRR regulations are now included in all ministries and government departments' planning and budgeting processes; ii) vital policies and frameworks have been developed including (Disaster Management Act, Disaster Management Policy (Draft), Revised Standing Order on Disasters (SOD), National Plan on Disaster Management (2010-2015), Cyclone Shelter Constructions, Maintenance and Management Guidelines 2011, South Asian Association for Regional Cooperation Disaster Management Framework); iii) 1,865 small and medium scale risk reduction schemes have benefitted over 3 million people in 40 most disaster-prone districts; iv) mapping of seismic vulnerability of 9 large cities, using the latest remote-sensing and statistical analyses techniques; v) significantly extended flood forecast lead time from 3 to 5 days, potentially saving the lives, livelihoods, and assets of 88 million people living in four river basin areas (reducing crop loss by 20%); vi) financed individual and university-level research, curricula, and training concerning CCA and DRR, supporting the paradigm shift of disaster management practices in the country and contributed to the ongoing professionalization of Govt officials and NGOs.*
- 3) *Seventh Five Year Plan (2016–2020) - The Sixth Five Year Plan mentioned the importance of CCA (GOB, 2012), for the first time CCA has been featured in a perspective investment plan of the country. However, the Seventh Five Year Plan is still in a nascent stage and has not yet provided guidance regarding how CCA may be operationalized involving various sectors, institutions and stakeholders. However, the relevant background paper (which will be the basis of the CC section of the 7<sup>th</sup> 5YP) emphasizes that despite having relevant policy frameworks and initiatives including own CC financing mechanism (BCCTF); there are some critical gaps and challenges to provide adequate services to the citizens towards reducing risks of hazards and disasters with or without climate change and to steer the country's economy in a low carbon and energy efficient pathway. These are: prioritization of adaptation interventions, inadequate integration of climate risk in development planning and budgeting, weakness in implementation and monitoring, weak coordination at all tiers, weak management skills and lack of adequate financing.*
- 4) *Bangladesh Delta Plan 2100- (2014- 2016)- implemented by the General Economic Division and the Ministry of Planning, the BDP will provide a complete strategy for development of the delta project for next 50 – 100 years. BDP aims to identify delta issues and developing future scenarios, including socio-economic and climate change effects. BDP 2100 is expected to serve as the "Roadmap" for coordinated and prioritized investment in land and water management, continuously fed by latest knowledge.*
- 5) *Social Protection Policy Support Programme (2014-17)- As of FY 2013, total spending on social protection support programmes was BDT 231 Billion, approximately 2.2% of GDP. However, only 1.7% of the overall social protection programme (SPP) in Bangladesh was spent for addressing climate change related issues (Source: Ministry of Finance). The Social Protection Policy Support (SPPS) programme based on the draft National Social Protection Strategy (NSPS) of Bangladesh (General Economic Division, Planning Commission 2014, expected to be approved soon) responds to deficiencies in the existing social protection system and a need for system reconfiguration. The programme has two components: (1) Governance of Social Protection, with the purpose of ensuring better governance of social protection by helping to build coordination, M&E and reporting functions while strengthening research and analysis capacities in order to build a more effective*

evidence base for effective policy development; and (2) stronger social protection systems, a nationally integrated delivery system for reliable, transparent and developmental social transfers and promote effective coordination. This intervention will be implemented by the General Economic Division (GED) of Planning Commission and the Cabinet Division in partnership with UNDP. The total budget of this project is USD 7.05 M with UNDP TRAC allocation of USD 1.5 M, DFID contribution of USD 4.23 M and currently USD 1.3 M is unfunded.

In addition to the above, UNDP and UNEP have provided long-standing support to GoB in integrating climate change into development frameworks, including fiscal and budgeting frameworks. Preparatory activities for a full-scale NAP will have to coordinate seamlessly and build on these efforts. LDCF resources must be used to support the GoB as it continues to move forward in a “whole-of-government” response to climate change and climate finance management. These efforts, supported by UNEP and UNDP include:

- 6) *Bangladesh Climate Public Expenditure and Institutional Review (CPEIR)*- conducted in 2012, implemented by the Bangladesh Planning Commission, with support from UNDP and UNEP. This exercise led to a review of the existing climate policy, institutional arrangements as well as public expenditures on climate activities in Bangladesh. The review was steered by an Inter-Ministerial group including Planning Commission, Ministry of Finance, Ministry of Local Government, Ministry of Environment and Forests, Ministry of Disaster Management and Ministry of Water Resources. Existing policies and institutional issues were reviewed with some of the key findings including that Bangladesh is spending about USD 1 billion per year on climate-related expenditures of which 75% comes from domestic resources. These findings interested the Ministry of Finance who agreed as a next step to develop a Climate Fiscal Framework (CFF) to improve management of these resources and better link them to the national budget process. This LDCF project will build on the ongoing climate fiscal framework related works.
- 7) *Economics of Climate Change Adaptation (ECCA) Programme in Asia (USAID and UNDP)*: This initiative is a 3-year regional programme comprised of a series of technical trainings interspersed with in-country applied work to enable trainees to master key economic concepts and tools for adaptation planning and decision-making. This is a key area of technical assistance required by countries, including Bangladesh, as per the UNFCCC’s guidelines for countries on the National Adaptation Plan process. ECCA is a collaborative effort between UNDP, USAID Adapt Asia-Pacific, the Asian Development Bank (ADB), and the Global Water Partnership (GWP), in association with Yale University.
- 8) *Climate Fiscal Framework (CFF) (UNEP/UNDP)*: In June 2014, the GoB approved the Climate Fiscal Framework (CFF) - a framework to ensure effective use of domestic and international climate finance within the national budget process. The CFF identifies the demand and supply (internal and external funds, fiscal schemes (e.g. taxation), as well as innovative finance options (e.g. green banking) of national climate finance and forecasts future climate financing needs for Bangladesh. The CFF designs the Climate Expenditure Tracking Framework (CETF) which enables tracking and monitoring climate related expenditures in a systemic and transparent manner. CFF also introduces a “climate marker” in the Medium Term Budget Framework (MTBF) of Bangladesh and “climate dimension” to the preparation of capital development projects, linking climate change with planning and budgeting. As part of the CFF, a Climate Fiscal Cell in the Finance Division is proposed to be established to strengthen much-needed climate finance coordination and management. As a measure to strengthen accountability, the CFF reviewed the obstacles in including climate change in the auditing systems and identifies capacity support to the Auditor General’s Office to conduct Climate Finance Performance Audits. The CFF recognizes the need for a gender differentiated approach in its climate response. The Inclusive Budgeting and Financing for Climate Resilience (IBFCR) is envisioned to implement the CFF and modify as necessary.
- 9) *Inclusive Budgeting and Financing for Climate Resilience (IBFCR) (UNDP)*. Total budget= US \$2,200,000; co-financing contributed to the LDCF project = \$500,000 (UNDP TRAC). IBFCR will rationalize the Public Financial Management of climate financing and introduce a climate policy based focus to planning, budgeting and performance management of climate finance by implementing the GoB Climate Fiscal Framework.

- 10) *Support to sustainable and inclusive Planning (SSIP) project (UNDP)*- total budget US \$4.7M; co-financing contributed to the LDCF project = \$2,200,000 (UNDP TRAC). This initiative is aimed at strengthening policy and technical capacity, particularly in the General Economics Division (within the MoP), but also within other relevant central government agencies - the Ministry of Finance, Bangladesh Bank and the Bangladesh Bureau of Statistics. This is first, to design and implement pro-poor economic policies; secondly, to strengthen capacity for sustainable and inclusive planning; and thirdly, to monitor the MDGs and develop the post 2015 framework. The intervention builds on and enhances the Poverty Reduction and MDG Monitoring and the Poverty, Environment and Climate Mainstreaming (PECM) projects.

***Proposed Alternative Scenario:***

Based on consultations with GoB on options for operationalizing the now completed NAP Roadmap and responding to the request from Ministry of Environment and Forests of Bangladesh to access LDCF resources for formulating a comprehensive NAP in Bangladesh including strengthening associated processes, the following alternative scenario is proposed with the objective of supporting Bangladesh in addressing climate change risks in the medium and long term. The approach is consistent with the priorities outlined in the Bangladesh NAP Roadmap of 2014, namely:

- To complete the “first phase” of a full-scale NAP process *preparation* by integrating climate change risks into ongoing sectoral planning and budgeting processes at the national and sub-national levels.
- Identification of investments that are catalytic and sustainable so as to allow for the “second phase” of *implementation* of NAP priorities that are identified and designed using LDCF resources. It is expected that these investments can be funded by bilateral financing or the Green Climate Fund.
- As part of its responsibilities to mainstream climate change into key sectors, the Ministry of Environment and Forests will drive the NAP process in Bangladesh, in coordination with key institutions such as the Bangladesh Planning Commission, the Finance Division (Ministry of Finance), Local Government Division, and others. MoeF will ensure that Ministry of Planning, Ministry of Finance and all line ministries are fully involved in a cross-sectoral NAP preparation, in alignment with key principles guiding NAP, which include *inter alia*: i) a multidisciplinary process which leads to integration of adaptation into development; ii) a participatory, country-owned, country-driven and fully transparent approach.

***Project additional costs reasoning and adaptation benefits***

With LDCF resources, Bangladesh will complete the “first phase” of a full-scale NAP process by integrating climate change risks into ongoing sectoral planning and budgeting processes at the national and sub-national level, including (as outlined in the NAP Roadmap and follow-up consultations): institutional capacity development activities; access to and use of CC scenario information in adaptation planning; updating the climate fiscal framework with information on the costs/benefits of adaptation; and in-depth economic appraisal of adaptation options.

**Outcome 1:** Climate and socio-economic information databases and functional national and sub-national systems established to inform and guide climate-resilient policy and decision-making

LDCF resources will support the Bangladesh Meteorological Department to enhance its capacities in obtaining and using climate information, and will support key ministries and other users in using this information to better inform the NAP processes. CDMP2 has supported BMD on operation of hardware including training and provision of equipment for regular monitoring of met data in 35 stations, providing back up power supply support in some remote stations, a server for data storage and training of officials. However, meteorological data has not yet been utilized for climate scenario development and forecasting; and currently there is no mechanism in Bangladesh for integrating socio-economic data with climate data. Soil Resource Development Institute (SRDI) is the responsible GoB institute for analyzing soil data including soil moisture, soil salinity and fertility. However, integrating climatic concerns in soil data collection, generation, dissemination and forecasting is completely missing. This is important particularly

in the context of predicting salinity intrusion and drought and their subsequent impact on agriculture, where there is a critical gap. Further, data from the Bangladesh Bureau of Statistics, is not reliable or regular, and there is clear absence of climatic data collection. Hence, LDCF resources will be used to ensure that the substantial efforts of CDMP and CDMP 2 go beyond enhancing technological and human technical capacities for disaster risk management data and early warning systems, and strengthens the capacities in BMD, Department of Disaster Management, the Ministry of Disaster Management and Soil Resource Development Institute (SRDI), in regards to developing climate monitoring tools and analyzing long-term climate trends. LDCF resources will be used to set up a climate information database to better inform development plans and policies in all relevant sectors. For instance, the latter could include ensuring the right information is available to support mainstreaming climate change through the Ministry Budget Framework (MBF) of each Ministry.

LDCF resources will be used to achieve the following indicative outputs:

- (i) Analysis of current and future climate scenarios and long-term climate trends to understand how climate-related hazards are likely to change under alternative climate and socio-economic scenarios.
- (ii) Assessment of climate change induced vulnerabilities at sector, sub-national, national levels, including ranking of CC risks and vulnerabilities in the context of targeting and strengthening social protection measures.
- (iii) Climate monitoring and impact assessment tools for key sectors will be put in place, including strengthening of data collection systems for vulnerable sectors; and supporting access to climate change information to key sectors and other users in the country.
- (iv) Develop and maintain human technical capacity to carry-out and sustain the enhanced information systems and mechanisms for analysis and use in climate change sensitive planning and budgeting process within key sectors.
- (v) Strengthen processes for embedding climate dimensions in the preparation of sectoral development projects through the incorporation of climate related issues in the project development guidelines such as an assessment framework of climate risks, climate impacts to the project and from the project, and potential responses.
- (vi) Update the national social protection strategy to address medium- and long term shocks and stresses as well as alleviating sufferings of the poor climate victims, including women and ethnic minorities, living in vulnerable pockets and areas. This output will be informed by an analysis undertaken by a baseline UNDP supported initiative outlining the overlap and potential complementarity between social protection programme targets and climate vulnerability

**Outcome 2:** Adaptation options including for all agro-ecological regions, population groups and sectors are appraised and implemented.

Bangladesh has actively participated over the last 18 months in a UNDP/USAID supported capacity building programme on the *Economics of Climate Change Adaptation (ECCA)*, whereby govt officials from planning, environment, and finance ministries, as well as agriculture and water departments have been trained in cost-benefit analysis of adaptation measures in agriculture and water sectors. Nation-wide agricultural surveys have been completed and household data is now being analyzed to inform climate-resilient agriculture planning. LDCF resources will build on this initiative and the knowledge generated in the relevant institutions to replicate capacity-building and grassroot-level efforts across other sectors and at the sub-national level. In addition, the SSIP project will provide amongst other things, short-term training sessions for Planning Commission officials on project appraisal and aligning local development plans within the Annual Development Plan and Mid-term Budgetary Framework. LDCF resources will be invested in expanding the trainings being conducted under the SSIP (reaching a wider target audience/beneficiaries) to further build institutional capacities to appraise adaptation options across

sectors. LDCF-funded trainings will maintain a focus on design and prioritization of bankable CCA projects across all relevant sectors and will take into account sub-national – level sectoral strategies. Finally, some small-scale interventions prioritized under this exercise which respond to NAPA priorities, can be implemented under this outcome.

GoB will use LDCF resources for the following indicative outputs:

- (i) Conduct an in-depth stocktaking of adaptation options in the country and an institutional capacity gap-analysis, including local government institutions;
- (ii) Develop a geospatial database in support of Bangladesh's NAP process.
- (iii) Strengthen capacities in GoB to appraise adaptation options (including cost-benefit analysis) across sectors in national and sub-national levels with a view to developing an investment framework for financing from alternative sources
- (iv) Sector-wide prioritization of bankable projects, including identification, formulation, and appraisal; as well as identification of resource mobilization options for implementation.
- (v) Implement priority adaptation interventions in line with NAPA priorities and the 7th Five Year Plan priorities.

**Outcome 3:** Required institutional and planning capacities established to integrate climate change adaptation in relevant budgeting, and planning frameworks at national & sub-national levels

LDCF resources will be used to put in place a robust institutional coordination mechanism to ensure a seamless contribution of efforts and non-duplication across the numerous activities which are supporting GoB in a whole-of-government approach to integrate climate change into planning and budgeting, such as the CPEIR, CFF, IBFCR, and SSIP, amongst others. Such efforts should ensure synergistic partnerships and cohesive results; institutional fragmentation should be avoided as this is not in line with NAP elements. Thus, planning and executing successful inter-institutional dialogue and cooperation will be critical, since PPG stage.

GoB anticipates that LDCF resources will contribute to the implementation of the CFF, in coordination with the IBFCR. Outcome 3 will serve to outline the demand side of the CFF – (costed plan and projection of required expenditures) based on socio-economic and climatic factors. One of the results of CPEIR demonstrated that one of the largest sources of climate expenditure is through the social protection system. This outcome will have to take into account the vulnerabilities of the delta region, as outlined in the BDP 2100. LDCF resources can build on this initiative to ensure that efforts to enhance the availability, use and monitoring of climate information is adequately used while assessing delta priorities and formulating the comprehensive delta development plan.

GoB will use LDCF resources to complete the following indicative outputs:

- (i) Obtaining a GoB mandate for NAP process and set-up an official NAP national team.
- (ii) Conducting inter-sectoral capacity-building efforts for undertaking the NAP process: designing and institutionalizing training programmes on climate change mainstreaming for climate-sensitive sectors; developing programmes for effective awareness and education on climate change risks and vulnerabilities and relevance to development frameworks.
- (iii) Elaborate a costed plan and projection of required expenditures for the CFF, based on socio-economic and climatic factors (in coordination with IBFCR).
- (iv) A management tool for M&E will be set up within the institutional mechanism for implementing a NAP. MoEF will be supported to design an effective monitoring and evaluation system. This system will facilitate the overall coordination of NAP work at the national or sectoral levels. It will also support the definition of objectives and targets, selection of indicators and means of verification, identification of data sources and collection methods, enhancement of data and information management, undertaking of special assessments, and facilitation of reporting and review.

### ***Adaptation benefits:***

With LDCF intervention, it is expected that national and local decision-makers in Bangladesh will be better equipped to: i) better utilise available information on historical and future climate and expected impacts to plan short-term responses and adapt to climate change; ii) appraise adaptation options of key economic sectors; and iii) integrate climate change adaptation into development plans, policies and programmes.

Addressing climate change in development frameworks of such a vulnerable country as Bangladesh, adaptation benefits are expected for all inhabitants. Business-as-usual planning and a responsive approach to climate change and climate-induced disasters have proved insufficient at best, and negative in impact, at worst, when development gains in Bangladesh have been severely affected due to devastating effects of climate change. It is expected that through this LDCF project, the groundwork for a successful, catalytic and sustainable NAP process in Bangladesh will be set and will serve as a basis for full-scale implementation of NAP in the near future.

### ***Innovativeness, sustainability and potential for scaling up***

This proposed approach to lay the ground work of a full-scale NAP for Bangladesh will take into account efforts for sustainability and scale-up so as to allow for a parallel or phased *implementation* of NAP priorities which are identified and designed using LDCF resources. It is expected that these investments can be funded by bilateral financing or the Green Climate Fund. The Ministry of Environment and Forests will lead the NAP process in Bangladesh, and will ensure that the Planning Commission and Ministry of Finance and all line ministries are fully involved in a cross-sectoral NAP preparation, in alignment with key principles guiding NAP, which include *inter alia*: i) a multidisciplinary process which leads to integration of adaptation into development; ii) a participatory, country-owned, country-driven and fully transparent approach.

This approach is also innovative as it promotes partnerships not only across sectors, but also with communities, local governments, NGOs, and to the extent possible, also with the private sector. The LDCF-funded project promotes the integration of sector-wide and programmatic approaches in a coherent policy, institutional, and regulatory framework. A sector-wide NAP will unearth key climate vulnerabilities of each sector and provide decision makers with the tools and expertise to ensure climate change is embedded and adaptation measures are identified and appraised in the development policies and budgets of Bangladesh, going beyond the already significant effort in tracking climate finance and expenditures.

## ***2. Stakeholders***

Key stakeholders	Expected roles
Ministry of Environment and Forests	Lead the NAP dialogue and process in Bangladesh; lead and coordinate consultations with key Govt partners and communities during the detailed project preparation phase
Ministry of Finance	Provide strategic contributions to NAP process: especially will contribute to the design of Component 3
Bangladesh Planning Commission	Provide strategic contributions to NAP process: especially will contribute to the design of Component 3
Bangladesh Meteorological Department	Provide strategic contributions to NAP process: especially will contribute to the design of Component 1
Ministry of Local Government	Contribute to the design of the project, participate in different fora
Ministry of Agriculture	Contribute to design of the project from agriculture sector perspective
Water Resources Planning Organization	As the key planning wing of the Ministry of Water Resources, participate in the design from the water resources perspective
Department of Disaster Management	Contribute to the project design especially to design of component 1
Bangladesh Bureau of Statistics	Main depository of socio-economic database in the country and will be participating specifically in design of component 1
Other Ministries/ agencies (Land, Health, Forest Department, Department of Environment, Fisheries and Livestock, Women Affairs, Urban Development Directorate, Soil Resource Development Institute etc.)	Provide strategic contributions to NAP process: especially will contribute to the design of Component 2
Civil Society including women's groups	Contribute to the design of the project, participate in different fora during both the preparation and implementation phase of this project.

*3. Gender Considerations. Are gender considerations taken into account? (yes).*

This project, which will provide impetus to driving forwards the NAP process and outcomes in Bangladesh, including its sectoral and spatial elements, will ensure that gender-related vulnerabilities and subsequent adaptation options are properly analyzed so that differential vulnerabilities based on sex are thoroughly considered and assigned high importance at every step of NAP formulation and implementation. Gender mainstreaming in the NAP process will lead to more resilient communities and therefore, more successful adaptation.

Integrating gender considerations into the NAP process could entail the following:

- Ensuring the participation of the most vulnerable groups, including women, in the NAP process.
- Tailoring and implementing NAP activities based on an understanding of gender dynamics and the potentially disproportionate impacts of climate change on women;
- Assessing information availability on particularly vulnerable groups including women, and highlighting these groups for further study;
- Harnessing the potential of women as agents of change within their communities, and investing in this potential as part of the NAP process;
- Undertaking outreach to ensure that different stakeholders understand how climate change adaptation can have gendered effects;
- Monitoring and reporting on the integration of gender considerations into the NAP process;

- Including the integration of gender considerations in evaluation of adaptation activities and making improvements if necessary.

The above options will be taken into account during the design phase and built into the final project outline that will be presented for CEO endorsement.

4. Risks.

Identified risks	Mitigation measures
Political risks between different line Ministries as the topic of integrating climate change into planning and budgeting takes root.	Regular dialogue between line Ministries involved in addressing climate change risks to identify and talk about issues of sensitivity, including those that may disrupt the results sought by this project
Technical capacity constraints within Planning and Finance Ministries as well as line Ministries to advance climate change risk management.	The project will rely on a cadre of technical staff who will work to strengthen technical skills of client government officials involved in the NAP process
The approval of the project by Government will take more than 12 months after CEO endorsement.	Bangladesh has an internal process which requires that donor funded projects, after funding has been secured, go through an internal approval process. UNDP will engage frequently with the Ministry of Finance, Planning and Environment during the design phase so that full government ownership is maintained. This should ensure that any risks of delays are minimized.

Additional risks and assumptions will be identified during the project preparation phase and built into the detailed project design. These will be outlined in the documentation submitted for CEO endorsement.

5. Coordination. Outline the coordination with other relevant GEF-financed and other initiatives: This project will require effective coordination with other ongoing LDCF-financed initiatives in Bangladesh, namely:

1. Community Based Adaptation to Climate Change through Coastal Afforestation (UNDP)
2. Integrating Community Based Adaptation into Afforestation and Reforestation Programmes in Bangladesh (UNDP)
3. Community-based Climate Resilient Fisheries and Aquaculture Development in Bangladesh (FAO)
4. Ecosystem-based Approaches to Adaptation (EbA) in the Drought-prone Barind Tract and Haor "Wetland" Area (UNEP)

The activities outlined in this project will also have to be implemented in coordination with a plethora of initiatives under way in Bangladesh which target climate change adaptation and mitigation, including those funded under the Bangladesh Climate Change Resilient Fund (BCCRF); Bangladesh Climate Trust Fund; World Bank; ADB; and FAO (including the Climate Adaptive Livelihood Initiative Programme) including several other UNDP supported initiatives. An exhaustive stocktaking of such initiatives will be compiled during the implementation of the project, under Component 2.

6. *Consistency with National Priorities.* Is the project consistent with the national strategies and plans or reports and assessments under relevant conventions? **YES.**

The proposed project is based on the following national strategies:

- NAPA: Bangladesh NAPA was revised in 2009, articulating 18 short and medium-term priorities, additional to/revised from those articulated in the 2005 NAPA. Firstly, the main objective of this proposal contributes, overall to the short-term NAPA priority #5: "Mainstreaming climate change

in national, sectoral, and spatial development programmes”. Specifically, the investments signaled in Outcomes 1 and 2 are aligned with the revised NAPA priorities, as follows:

- Outcome 1: Investments under this outcome towards robust climate information, monitoring of CC impacts and risks, to inform decision-making at national and sub-national levels will contribute to a response to the following NAPA 2009 priorities: short-term priority #2: “revision of national and sectoral policies to mainstream adaptation to CC” (specifically, output on updating the social protection strategy); short-term priority #6: “Strengthening human resource capacity”; Short-term priority #9: “Impact Assessment of Climate Change in the Coastal Region of Bangladesh with possible Adaptation Measures”; medium-term priority #2 “Monitoring of climate change impacts on ecosystem and biodiversity”; and medium-term NAPA priority #9: “river response to the impacts of climate change and strategic planning of river erosion management”.
  - Outcome 2: Investments towards appraisal of adaptation options for all agro-ecological zones and population groups respond to NAPA short-term priority #1: “Assessment of financial needs to combat climate change”; short-term priority #2: “Revision of national and sectoral policies to mainstream adaptation to CC”; and short-term priority #9 “Impact assessment of CC in the coastal region of Bangladesh with possible adaptation measures”.
  - Outcome 3: technical assistance towards enhancing institutional capacities to integrate CCA in relevant budgeting, planning frameworks responds to revised NAPA short-term priority #5 (as mentioned above) and short-term priority #6: “strengthening human resource capacity”.
- Roadmap for Developing a National Adaptation Plan for Bangladesh
  - Bangladesh Climate Change Strategy and Action Plan
  - Bangladesh Technology Needs Assessment (TNA)
  - National Capacity Self-Assessment (NCSA)

7. *Knowledge Management.* Outline the knowledge management approach for the project, including if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

Following the LEG approved NAP guidelines which served as a basis for the Bangladesh NAP Roadmap, this LDCF financed initiative will be promoted in coordination and synergies across different initiatives that are under-way with the support of a number of development partners in Bangladesh. Lessons and best practices will be codified and shared in a systematic manner. In fact, mechanisms will be put in place through this initiative for effective reporting, monitoring, and reviewing of the NAP process including for active collection, assessment and dissemination (outreach) of progress and results of the process itself through a variety of channels including National Communications or other appropriate channel as deemed by the Govt of Bangladesh. This will support the iterative updating of the NAP process in Bangladesh.

### **PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT AND GEF AGENCY**

A. Record of Endorsement<sup>8</sup> of GEF Operational Focal Point (S) on Behalf of the Government(s):  
(Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template.

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Dr. Kamal Uddin Ahmed	GEF Focal Point	MINISTRY OF ENVIRONMENT AND FORESTS	02/17/2015

### **B. GEF Agency Certification**

<sup>8</sup> For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.

**This request has been prepared in accordance with GEF policies<sup>9</sup> and procedures and meets the GEF criteria for project identification and preparation under GEF-6.**

<b>Agency Coordinator, Agency name</b>	<b>Signature</b>	<b>Date</b> (MM/dd/yyyy)	<b>Project Contact Person</b>	<b>Telephone</b>	<b>Email</b>
Adriana Dinu, Executive Coordinator, UNDP/GEF		04/24/2015	Ms Claudia Ortiz	+66 2304 9100 ext. 5092	<a href="mailto:claudia.ortiz@undp.org">claudia.ortiz@undp.org</a>

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<sup>9</sup> GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF