

BANGLADESH
Aide Memoire of the Second Joint Multilateral Development Bank (MDB) Mission for the
Pilot Program for Climate Resilience (PPCR)
 August 22 – September 2, 2010

A. Background and Introduction

1. During the First PPCR Joint MDB Mission held from February 1-11, 2010, it was agreed with the Government of Bangladesh (GOB), that the Asian Development Bank (ADB) and the World Bank will support the Ministry of Environment and Forests (MOEF) in preparing the draft Strategic Program for Climate Resilience (SPCR). It was also agreed that the preparatory process would be carried out in close consultation with other development partners and concerned ministries/agencies of the Government and that interventions will focus in the coastal zone.

2. In this light, two technical missions have been fielded after the 1st joint mission to the coastal zone in March and in April 2010. Comprising GOB, ADB and World Bank, the missions primarily identified (a) very vulnerable hotspots in the coastal districts where PPCR interventions are likely to take place; (b) key investments needs; and (c) implementation capacity at the local level. The missions also held consultations and workshops to inform coastal District Officials, Union Parishad leaders, NGOs active in the areas visited, and prospective beneficiaries about the pilot program and to seek initial thoughts for the SPCR.

3. Preparation has also involved desk study of existing development policies and strategies including the Bangladesh Climate Change Strategy and Action Plan (BCCSAP), the revised National Adaptation Program of Action (NAPA), the draft Strategy to Engage the Private Sector in Climate Change Adaptation in Bangladesh, other relevant reports, studies and policies on climate change particularly for the coastal zone, and a stocktaking of planned and ongoing climate change adaptation projects by GOB, MDBs, development partners, the private sector and NGOs.

4. A first draft of the SPCR was submitted to the Government on August 6, 2010 with copies to development partners.

B. Mission Objectives

5. Following this, a second joint mission was undertaken from August 22-September 2, 2010 with the objectives to:

- reach an agreement with the Government on the proposed interventions, implementation arrangements with the MDBs and estimated budget allocations;
- solicit feedback from the development partners;
- finalize the draft SPCR for submission to the PPCR Sub-Committee (PPCR-SC) by the Government.

6. Mission members from ADB comprised Jiangfeng Zhang (Senior Country Economist and Co-Mission Leader), Arif M. Faisal (Project Implementation Officer), Tahir Qadri (Consultant) and Karimul Haque Talukdar (Consultant). The IFC team comprised Mrinal Kanti Sircar (Programme Manager) and Anika Ali (Operations Analyst). From the World Bank, the mission included Maria Sarraf (Senior Environmental Economist, Co-Mission Leader), Dora Cudjoe (Environmental Specialist), Khawaja Minnatullah (Senior Environment and Water Specialist), Sayeeda Salim Tauhid (Senior Monitoring and Evaluation Specialist), Arun Banerjee (Consultant) and Syed Tanveer Hussain (Consultant).



7. During the mission the MDBs held various consultations and meetings with (i) nominated PPCR Focal Points (i.e. Bangladesh Water Development Board (BWDB), Disaster Management Bureau (DMB), Bangladesh Meteorological Department (BMD), Ministry of Food and Disaster Management (MOFDM), Ministry of Environment and Forest (MOEF), Local Government Engineering Department (LGED), and Forest Department (FD); (ii) Economic Relations Division, Ministry of Finance; (iii) all Government agencies associated with the PPCR process; (iv) as well as development partners. (See Annex 1 for list of persons met).

8. Conclusions of this Mission were discussed at a wrap-up meeting, chaired by the Secretary, MOEF, on September 2, 2010 and the key findings are summarized below.

C. Key Mission Outcomes

9. ERD, MOEF and PPCR Focal Points for Bangladesh reconfirmed that there is provision for the Government to take the highly concessional loan under the PPCR to supplement the grant allocation. The loan and grant allocation will support the Government efforts to promote and enhance climate resilient development particularly in the coastal zone.

10. Recognizing that the SPCR presents a comprehensive package of plans, programs and actions for climate resilience that exceed what can be financed through the PPCR, the Government confirmed that priority interventions that will be channeled through the MDBs (ADB, IFC, World Bank), in line with the CIF program design are as outlined below:

11. Project 1: Promoting Climate Resilient Agriculture and Food Security

Objective:

- Livelihood diversification through adaptive agriculture;
- Scaling up climate resilient varieties of rice and crops including efficient irrigation system;
- Early warning system for farming communities for field crop protection.

Responsible MDB: IFC will assume the lead role to assist in administering the PPCR funds.

Government Implementing Agencies: Department of Agricultural Extension (DAE) of the Ministry of Agriculture, and BMD.

Total Project cost estimate: \$13.0 million.

PPCR Request: \$3.0 million grant and \$10.0 million concessional loan.

Preparatory studies: Feasibility studies for project preparation is estimated to cost US\$0.1million. Since part of this project will scale up an existing and successful IFC program, one key component of the project related to demonstrating and promoting stress tolerant crop varieties can move into implementation upon receipt of the funds. However, to scope out application of other appropriate technologies and practices which were also proposed by the Ministry of Agriculture, a feasibility study including the establishment of baselines will be undertaken.

12. Project 2: Coastal Embankments Improvement and Afforestation Project

Objective:

- **Embankment Stabilization:** Climate proofing (rehabilitate and/or raise the height/or realign) of existing polders/embankments to withstand the current and projected estimates of cyclone and tidal surges;
- **Internal Polder Water Management:** Rehabilitate, build and/or improve water management related structures (e.g. sluice gates, flushing inlets, regulators, drainage channels, etc.) within polders for improved drainage, reduced flooding and water logging, and improved agricultural and fish productivity;



- **Afforestation:** Raise coastal greenbelt along the embankments through afforestation/ reforestation measures to counter tidal surges, strong winds and stabilize the embankments; coastal mapping; and research study on viable climate resilient tree species.

Responsible MDB: The World Bank will assume the lead role to assist in administering the PPCR funds.

Government Implementing Agencies: BWDB, the Forest Department (FD) and the Bangladesh Forestry Research Institute (BFRI).

Total Project cost estimate: \$330 million

PPCR Request: \$30 million grant

Co-Financing: proposed \$300 million IDA credit.

Preparatory studies: Preparatory studies, including feasibility study and detailed design of the first phase investment are currently being undertaken under the Emergency Cyclone Recovery and Restoration Project (ECRRP), therefore no additional preparatory studies will be requested at this stage.

13. Project 3: Coastal Climate Resilient Water Supply and Infrastructure Improvement

Objective:

- Improve safe drinking water supply and sanitation;
- Improve connectivity (small roads, bridges, culverts, etc.) within the coastal districts.

Responsible MDB: ADB will assume the lead role to assist in administering the PPCR funds.

Government Implementing Agencies: LGED, Water Supply and Sewerage Authority, Department of Public Health and Engineering (DPHE).

Total Project cost estimate: \$250 million

PPCR Request: \$25 million grant and \$50 million concessional financing

Co-Financing: proposed \$175 million ADB loan.

Preparatory studies: Feasibility studies for project preparation is estimated to cost \$1 million.

14. Additional preparatory studies and technical assistance

- Feasibility studies on Individual Climate Resilient Family Housing in the Coastal Zone.

Responsible MDB: IFC

Government counterpart: MOFDM

PPCR Request: \$0.2 million grant

- Capacity Building for Mainstreaming Resilience to Climate Change and Knowledge Management; Strengthening Capacity of the Climate Change Department of MOEF

Responsible MDB: ADB will prepare and supervise the consultancy

Government Counterpart: MOEF

PPCR Request: \$0.5 million grant

15. Based on results from the feasibility studies, and depending on interest, additional sources of funding will be sought from GOB, and development partners to finance the investments that will be identified by the preparatory studies in paragraph 14.

D. Leveraging Potential of the PPCR

16. It was noted that the PPCR funds (US\$ 59.8 million grant, US\$60million loan) is likely to leverage an additional US\$ 475 million from the World Bank and ADB. It is with the expectation that other development partners may express interest to fund certain strategic components of the program being



developed to demonstrate a comprehensive approach to tackling climate resilience in the vulnerable coastal zone.

17. During consultations with stakeholders the importance of strengthening the emergency warning system was highlighted. However, given that (i) the UNDP has recently launched a US\$50million Comprehensive Disaster Management Program (Phase II); (ii) the World Bank has also allocated US\$8million under the Emergency Cyclone Recovery and Restoration Project to support the Disaster Management Bureau, the preparation of detailed multi-hazard risk vulnerability modeling and assessment, and emergency preparedness at the community levels; and (iii) other development partners are also financing various activities in this sector; it was concluded that PPCR will not finance emergency warning systems in the immediate term.

E. Recommendations from Consultations with the Government and Development Partners

18. GOB and development partners advocated for close collaboration between the PPCR, the Climate Change Trust Fund, and the Bangladesh Climate Change Resilience Fund to promote efficient allocation of scarce resources for climate adaptation interventions.

19. In revising the draft SPCR, development partners suggested highlighting in the document community participation; capacity building; poverty reduction potential of proposed interventions; public/private sector collaboration; engagement with NGOs and district level leaders in the SPCR preparatory process, and focus on gender.

F. Mission Conclusions and Next Steps:

- ADB and the World Bank will revise the SPCR to include various comments received during the mission and submit a revised copy to MOEF by September 10, 2010
- MOEF will review and submit the SPCR to the PPCR-SC latest by **Thursday, September 30, 2010** to ensure meeting the CIF Administration Unit requirement to submit documents at least four weeks before the upcoming PPCR-SC meeting in the first week of November, 2010
- The SPCR will be reviewed at the PPCR-SC meeting scheduled for first week of November, 2010
- ERD CIF focal point and MOEF PPCR focal point will receive an invitation to attend the upcoming PPCR-SC meetings in Washington D.C., in **November 2010** where the SPCR will be reviewed for approval by the PPCR-SC
- GOB will request **US\$59.8 million** in grant financing (US\$1.8 million for the preparatory phase and US\$58 million for the implementation phase) and **US\$60 million** in highly concessional loans from the PPCR
- Follow up mission to supervise feasibility studies and undertake project preparatory work will be undertaken once the SPCR is approved by the PPCR-SC.



**Annex 1: List of Participants in the Meetings during the Second Joint Multilateral Development Bank Mission for the Pilot Program for Climate Resilience (PPCR)
(22 August to 2 September, 2010)**

Ministry of Environment and Forests

Dr. Mihir Kanti Majumder, Secretary
Dr. Mohammed Nasiruddin, Joint Secretary (Dev)
Mr. Quazi Munirul Islam, Deputy Chief
Mr. Shamsur Rahman Khan, Senior Assistant Chief
Mr. Md. Huzur Ali, Senior Assistant Chief

Economic Relations Division, Ministry of Finance

Mr. Arastoo Khan, Additional Secretary
Ms. Shamima Nargis, Deputy Secretary

Ministry of Local Government, Rural Development and Cooperatives

Mr. Md. Ansar Ali Khan, Deputy Secretary, LG Division

Ministry of Agriculture

Mr. Md. Mahmudur Rahman, Senior Assistant Chief

Ministry of Health and Family Welfare

Dr. Iqbal Kabir, Coordinator, Climate Change Unit

Ministry of Fisheries and Livestock

Mr. Md. Zakir Hossain, Deputy Chief

Disaster Management and Relief Division, Ministry of Food and Disaster Management

Mr. Md. Abu Sadeque, Deputy Secretary

Bangladesh Water Development Board (BWDB)

Mr. Md. Sarafat Hossain Khan, Executive Engineer

Local Government Engineering Department (LGED)

Mr. A. F. M. Munibur Rahman, Project Director

BANGLADESH METEOROLOGICAL DEPARTMENT (BMD)

Mr. Shamsuddin Ahmed, Assistant Director

Disaster Management Bureau

Mr. Dildar Ahmed, Director

DEPARTMENT OF LIVESTOCK SERVICES (DLS)

Dr. Ranjit Kumar Chakraborty, Dep. Director, Animal Health

DEPARTMENT OF FORESTS (FD)

Mr. Ishtiaq U. Ahmed, Chief Conservator of Forests
Mr. Md. Mozaharul Islam, Deputy Conservator of Forests

INSTITUTE OF WATER MODELING (IWM)

Mr. Emaduddin Ahmed, Executive Director
Mr. Zahirul Haque Khan, Director

BANGLADESH RICE RESEARCH INSTITUTE (BRRI)

Dr. Jiban Krishna Biswas, Chief Scientific Officer, Plant Physiology

World Bank

Ms. Maria Sarraf, Senior Environmental Economist
Ms. Dora Nsuwa Cudjoe, Environmental Specialist
Mr. Khawaja M. Minnatullah, Senior Specialist, Environment and Water
Ms. Sayeeda Salim Tauhid, Sr. Monitoring and Evaluation Specialist



World Bank –cont'd

Mr. Arun Banerjee, Consultant
Mr. Syed Tanveer Hossain, Consultant

IFC

Mr. Ian Crosby, Manager
Mr. Mrinal Kanti Sircar, Program Manager
Ms. Anika Ali, Operations Analyst

DFID

Ms. Anna Bobin, Policy Analyst
Ms. Yolande Wright, Senior Livelihoods Adviser
Ms. Joanne Manda, Climate Change & Environment Adviser

UNDP

Dr. M. Aminul Islam, Assistant Country Director

Climate Investment Fund

Mr. Erik Reed, Consultant

AusAID

Ms. Rachel Payne, First Secretary (Development Cooperation)

European Union

Mr. Jorge Nieto Rey, First Secretary

USAID

Mr. Naren Chanmugam, Office Director
Mr. Alamgir Hossain, Environment & Climate Change Specialist

ROYAL NORWEGIAN EMBASSY

Mr. Morshed Ahmed, Senior Adviser

EMBASSY OF THE NETHERLANDS

Mr. A. T.M. Khaleduzzaman

Asian Tiger Capital Partners

Mr. Ifty Islam, Managing Partner

EMBASSY OF DENMARK

Ms. Wahida Musarrat Anita, Programme Officer

GERMAN EMBASSY

Mr. Hans-Hinrich Schnelle, Head of Development Cooperation

GTZ

Mr. Berthold Schirm, Principal Advisor

Swiss Agency for Development and Cooperation (SDC)

Mr. Farid Hasan Ahmed, Senior Programme Officer

JICA

Mr. Tatsuhiko Sunouchi, Representative
Mr. Zafar Iqbal, Program Officer

ASIAN DEVELOPMENT BANK

Mr. Jiangfeng Zhang, Senior Country Economist
Mr. Arif M. Faisal, Project Implementation Officer (Env.)
Mr. S. Tahir Qadri, Consultant
Mr. Karimul Haque Talukdar, Consultant