

Meeting of PPCR Pilot Countries and Regions May 1-3, 2013 – Washington D.C., United States

Progress Updates from PPCR Pilots

Country/regional pilot: Bangladesh

Please describe any advances made in the following areas, arising from your SPCR programming or implementation process since the last meeting of PPCR pilots.		
Institutional arrangements	The institutional arrangements governing overall management of PPCR interventions in Bangladesh follows a somewhat similar structure to the Bangladesh Climate Change Resilience Fund (BCCRF) whereby the office of the Joint Secretary, Development, at the Ministry of Environment and Forests (MOEF) maintains overall responsibility for overseeing implementation of the SPCR program. Respective MDBs (ADB, IFC, and World Bank) maintain responsibility for providing technical and operation support to the GoB implementing agencies for the SPCR interventions. To facilitate cross-learning between implementing agencies, MDBs and beyond, the World Bank collates quarterly progress reports on the various interventions and circulates broadly.	
Capacity building	The respective MDBs continue to provide targeted technical support to facilitate design and implementation of the various SPCR interventions. GoB implementing agencies are being equipped with hands-on experience in climate change adaptation related procurement and financial management skills. MDBs have helped to identify and support GoB staff working on the SPCR interventions to attend and share Bangladesh's experience with addressing climate change. For eg. the Project Director for the proposed Coastal Embankment Improvement Project (CEIP) attended the CIF Partnership Forum and delivered a presentation on: 'Landscape Approach - Addressing Mitigation, Adaptation and Poverty Reduction in One Go' on a panel with international experts on climate change mitigation and adaptation.	
	ADB under the TA on 'Climate Change Capacity Building and Knowledge Management' is working with the MoEF to set up of central web based portal on climate change information and knowledge management (IKM) network to be housed in the MOEF 'Climate Change Trustee Board'. With the support of ADB, MoEF organized a national level expert consultation meeting on 23 February 2013 and plans to organize a 'hackathon' during 1st week of May 2013 to reach a consensus on design, architecture and detail ToR of the proposed central web based IKM network on climate	

change. A trial set up set up of the portal is targeted for August 2013 and a full launch by November 2013.

Under the TA on 'Climate Change Capacity Building and Knowledge Management' ADB is currently conducting capacity needs assessment (CNA) on climate change adaptation to identify the priority areas of capacity building on adaptation. Based on the recommendations of the CNA, about 4-5 short trainings will be organized for the officials of relevant ministries and line agencies.

Also the PPCR Focal Points (ERD, MoF and MoEF) organize project implementation debriefing sessions with government and donor counterparts as and when required.

Analytical work and technical studies

To address specific knowledge gaps under the SPCR interventions, MDBs jointly with the GoB Implementing agencies have launched and supervised a series of analytical work and technical studies.

For example, during the preparation of the **CEIP** project, an extensive modelling was undertaken to account for the possible impact of climate change on the Bay of Bengal and to improve the design of the embankments. While the modelling was done the following parameters were included: a 50 cm sea level rise, a 10% increase of tropical cyclone intensities for a rise in sea surface temperature of 2 0 C in wind speed and a 20% increase in extreme precipitation by 2050.

For the **ADB** supported Coastal Climate-Resilient Infrastructure Project (approved in September 2012), a climate change and adaptation assessment was undertaken. The project preparatory technical assistance (PPTA) conducted detailed climate assessment of the project areas and developed an **Adaptation Strategy** covering design guidelines for climate-resilient rural infrastructure for roads, embankment and bridges, and markets. A framework for expanding institutional learning and knowledge management on climate resilience principles for design, construction and maintenance of rural infrastructure was developed.

During preparation of the BAN-Coastal Towns Infrastructure Improvement Project, a detailed analytical study on 'Strengthening the Resilience of the Urban Water Supply, Drainage, and Sanitation to Climate Change in Coastal Towns'. The study looked at impacts of climate change on urban water supply, sanitation, drainage systems, water availability and salinity; practical options for the location of water-intake works; appropriate design of drainage systems, urban wastewater discharge and the location of sanitation infrastructure; and prioritization of options through participatory approaches. The findings of the study would be incorporated into BAN-Coastal Towns Infrastructure Improvement Project. The study methodology included amongst others deriving climate scenarios for sea level rise, rainfall intensity, cyclones, storm surges for 2030 and 2050 using as reference the 4th report of the Intergovernmental Panel on Climate Change, and best professional judgment.

ADB under the TA on 'Climate Change Capacity Building and Knowledge Management' is currently conducting a rapid 'knowledge gap assessment' (KGA) to assess the current knowledge gap on climate change adaptation (CCA). ADB will commission about 5-6 small research/studies on priority areas of CCA based on the rapid KGA study and available TA funds.

IFC commissioned a scoping study to assess the current climate vulnerability, risks, and the adaptive capacity of agriculture and farmer livelihoods in the 12 coastal polders of Bangladesh (as defined in the SPCR) spread across southern coastal Bangladesh. Based on a number of parameters (e.g land types, bio-physical and socio-economic characteristics and climatic stress conditions, supply chains, and availability and access to key agricultural inputs), the study recommended that rice, selected vegetables, edible oils, and pulses are suitable interventions that can help improve agricultural productivity in the polder areas. Specific project components of the "Promoting Climate Resilient Agriculture and Food Security" will focus on: 1) capacity building and training of farmers and agricultural supply chain members on techniques for better productivity; 2) piloting and demonstrating innovative technologies and risk-mitigation systems to improve farmer resilience and reduce farmer risk to climate change; 3)strengthening market linkage and supply chain of climate-smart products and technology that are economically viable in the polder areas; 4) enhanced early warning system to protect and reduce risk of communities, businesses and field crops from climate change; and 5) facilitating better access to finance for farmers and companies involved in agri-business.

Catalyzing private sector engagement to respond to productivity and food security challenges is the overall purpose of the project.

Stakeholder engagement

During preparation of Coastal Climate-Resilient Infrastructure Project, ADB extensively consulted the stakeholders targeting both supply-side (service providers) and demand-side (beneficiaries). A similar consultative process would be adopted for the BAN-Coastal Towns Infrastructure Improvement Project

Following the PPCR pilot country meetings in October-November 2012, Focal Points have organized debriefing meetings with the World Bank, and IFC and have also met with key Government representatives on the multisectoral group to share updates from the meetings and to foster collaboration in the way forward.

IFC's extensively engaged with stakeholders at three levels: a. During the scoping study, the study team engaged with key stakeholders from both public and private sectors; b. Following the findings of the scoping study, IFC organized a stakeholder workshop to present key findings of the scoping study with key government agencies, agribusiness companies, NGOs, and other development partners to seek feedback and validate the findings. IFC also informally engaged with key stakeholders on one-to-one basis to develop the PPCR program.

Procurement and recruiting

Procurement and consultants recruitment under ADB supported Coastal Climate-Resilient Infrastructure Project are ongoing. ADB has taken advanced actions under a project design advance to recruit the detailed design consultants under the BAN Coastal Town Infrastructure Improvement Project. Mobilization of the detailed design team is expected in Q4 2013. The consultant team has an international climate change specialist.

ADB recruited a team of consultants comprising one international and three national consultants in December 2012 to support MoEF in implementing the TA on Climate Change Capacity Building and Knowledge management. Subsequently MoEF appointed Project Director from MoEF and two counterpart staff from Climate Change Trust (CCT) in March 2012 to coordinate the TA implementation.

IFC has requested for Expression of Interest for conducting the Pilot Program of Climate Resilient Housing in the Coastal Region Feasibility Studies. The TOR will be finalized in consultations with MOEF and released along with the Request for Proposal. The Studies are expected to start by June, 2013.

IFC is planning to submit for PPCR-SC approval its PPCR project package by June, 2013.

On-the ground activities (please specify)

IFC consultants have conducted site visits to several polders and provided initial feedback regarding target communities and opportunities and challenges to implementation. IFC has finalized the PPCR program document for submission to the PPCR Subcommittee; approval expected in May 2013.

Design of ADB's web based portal on climate change is on-going and will be ready by Nov 2013. CAN and KGA is also April 2013.

Coastal Embankment Infrastructure Project (CEIP) Phase-1: The World Bank intended to finance **US\$ 400 million** (IDA credit US\$ 375 million and PPCR grant US\$ 25 million) for the implementation of CEIP Phase-I. A DPP of BDT 328000.00 lakh has been prepared and submitted to planning commission on **24 April**, **2012**.

An Inter-ministerial meeting on DPP of the "Coastal Embankment Improvement Project" will be held on **30 April**, **2013**.

World Bank issued an invitation for negotiation on 23 April, 2013
Negotiation between the Bangladesh government will be held on 15 May
2013 at the World Bank Country Office in Dhaka.

Please describe any challenges encountered in the following areas, arising from your SPCR programming or implementation process since the last meeting of PPCR pilots.

Institutional arrangements

Maintaining joint implementation and oversight arrangements for all climate change activities in Bangladesh through the Ministry of Environment and Forests (MOEF) helps to facilitate knowledge sharing across all program, and to also promote a streamlined approach for

	mainstreaming new knowledge in climate change adaptation in GoB development planning.
Stakeholder capacity	Financial institutions are not aware of the risks and opportunities of climate change impacts and the needs of affected communities to adapt to changing conditions in all sectors (e.g. housing, agriculture, etc.). Capacity building of financial institutions and intermediaries is required to ensure that attractive financing is available to farmers, affected coastal communities, and private sector.
	Since many development partners (DP) ¹ are interested in capacity development on climate change, coordination and resource harmonization would be relevant. ADB recommends accelerating such efforts through Local Consultative Group (LCG)-'Environment and Climate Change' and 'LCG-Disaster' meeting and regular dialogue as means to avoid duplication of efforts.
Data availability	Due to the remote locations of the polders, it is difficult to find polder-specific secondary data and information for IFC operations. Primary data will be required to adequately design and monitor field programs. Some of the climate data and information is not freely available for the users and that is why a market place for data and information could be created.
Stakeholder engagement	Stakeholders should be engaged at all levels to facilitate coordination and transparency
Coordination	Until recently, IFC was primarily coordinating with the Ministry of Agriculture (MoA) on the PPCR project. However, the External Resources Division under the Ministry of Finance in consultation with MoEF and the MoA communicated that IFC should also coordinate mainly with the MOEF since it is the primary PPCR coordinating Ministry.
Financing	The main challenge is with the generally limited funds allocated by the PPCR program for coordination and knowledge sharing. Judging from its immense importance, the CIF AU may have to reassess the budget earmarked for coordination to help optimize PPCR's added value of cross-learning, knowledge sharing within Bangladesh, regionally and across other PPCR pilot countries.
	CIF may reconsider the terms regarding committing the concessional loans provided through PPCR. The ground reality is that the market needs to be sensitized and seed companies in particular need to build their capacity to productively invest in climate change adaptation. Engaging companies in risk-prone areas will require that financial institutions are aware of climate change impacts and sectoral opportunities in the polders, identifying credit worthy clients (companies, farmers, coastal residents), and identifying fund

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¹ Currently ADB, WB, DFID, UNDP, DANIDA, FAO and GIZ have taken initiative in the capacity building and knowledge management of climate change

	distribution modalities (e.g. direct investment, financial intermediary, financial institution with distribution network in the polder areas, etc.). In addition, given that the recent political instability, it is not realistic to expect commitment of investment for financial markets within 9 months and real sector projects within 12 months of project commencement.
	Successful distribution of \$10 million of investment money through IFC will require staff dedicated to the task.
Mainstreaming	Project start may be delayed and subsequently the mainstreaming of climate change in overall development due to potential delays in approval of DPP/TPP, and delays in procurement, as well as cumbersome consultant recruitment process, slow disbursement, civil service management system and so on.
Other	Implementation of SPCR activities may not be smooth in view of uncertainties obtain now in the political arena. Flexibility will be required during project implementation, without compromising the overall project results.

Please provide any additional information you wish to share on impacts or lessons learned from the implementation of your SPCR.

- To effectively monitor SPCR project activities small grant could be provided to the BCCRF Secretariat which coordinates with different implementing agencies. The grant could be used for hiring of staffs to assist the Secretariat. The grant money could also be used for field visits for monitoring purposes.
- Preparation of project documents for Investment projects for building climate proofing of major infrastructure will need a long gestation period. The long waiting time for kick off the investment projects should be taken in good grace.