

April 1, 2015

**Comments from the United Kingdom--Approval by mail: Bangladesh: Climate Smart SME Financing (IFC) PPCR**

Dear Mafalda,

Thank you for providing the UK with sight of the IFC's PPCR project proposal for Climate Smart SME Financing in Bangladesh.

We are pleased to see that this project will aim to overcome the barriers to leveraging private sector engagement in strengthening adaptation. We are content to approve this proposal, but we would request that the comments below are addressed during implementation.

We are keen to see that this programme will be able to make the most of its demonstration potential, and so would like reassurance that the reporting function will be clearly outlined, along with the ways in which other programmes and organisations might learn from the lessons of this SME financing work. The programme's target will be to train 'at least one fund manager' in climate resilience and related opportunities, and so we would be interested to know whether there would be any plans to share the products of this training more widely with other private sector actors within Bangladesh at a later stage.

It would also be helpful if you could clarify the inclusion of the 'USD10 million in financing for SMEs' in the Indicators and Targets table against the 'leveraging PPCR financing against private investments' indicator, consistent with the results framework. The co-financing targets featured below this table suggest that co-financing will amount to USD15.2 million, so it would be useful to understand why USD10 million has been cited as part of the programme's targets.

Many thanks.

Kind regards,  
Emma