PROJECT PROGRESS REPORT (ANNUAL) TEMPLATE

January - December 2025

Project Summary Information	
Project Title	Global Programme on National Biodiversity Finance Plans - BIOFIN Bangladesh
Quantum Project ID	01001935
Project Duration	March 4, 2024 - February 28, 2028 [Global signed Project Document]
Gender Marker	GEN2
Total Budget	$ 314,000.00
Donors (funding sources)	GEF
Budget (annual budget)	$ 160,000
Expenditure recorded for the reporting period	$ 151,963.08 [with Commitment $ 115,488.55]
Expenditure recorded for the total project	$ 151,963.08
Project Manager's Name	Sumaiya Firoze

1. **Executive Summary** (1000 characters maximum)

BIOFIN Bangladesh established the analytical foundation for biodiversity finance planning during May to December 2025. The project completed inception activities, literature reviews, stakeholder engagement planning, and analytical work supporting the Policy and Institutional Review (PIR) and Biodiversity Expenditure Review (BER). A public sector consultation workshop informed the analytical process, and zero drafts of the PIR and BER were submitted for technical review. Preparatory work for the Financial Needs Assessment (FNA) and Biodiversity Finance Plan (BFP) was initiated. Coordination with the Ministry of Environment, Forest and Climate Change strengthened alignment between BIOFIN and national biodiversity priorities. Key challenges included data availability, technical review timelines, and budget modality constraints.

2. **Progress Review**

   a) **Key results achieved** (2000 characters maximum)

BIOFIN Bangladesh completed major inception and analytical activities under the global BIOFIN methodology. An inception workshop was conducted, followed by preparation and submission of the inception report. Reviews of BIOFIN guidance, country examples, biodiversity policies, institutions, and expenditure information supported development of the PIR and BER.

Literature reviews and analytical assessments were completed during August to November 2025. A public sector consultation workshop was organized in October 2025 to obtain stakeholder inputs on biodiversity policy, institutional arrangements, and expenditure trends. Zero drafts of the PIR and BER were submitted for technical review in November 2025. Meetings with Arannayk Foundation and MoEFCC supported consultation planning and alignment with NBSAP implementation priorities.

Preparatory work for the FNA and BFP was initiated using evidence generated from the PIR and BER. Initial findings highlighted governance fragmentation, weak expenditure tracking, harmful subsidies, pollution pressures, and limited private sector participation in biodiversity finance. Potential solutions included biodiversity expenditure tagging, improved expenditure monitoring, and biodiversity-linked finance mechanisms.

Gender and social inclusion considerations were incorporated into stakeholder mapping, consultation planning, and participant selection. Consultation design promoted participation from women, Indigenous Peoples, local communities, civil society, academia, government agencies, and private sector representatives.

Implementation challenges included delays in accessing expenditure data, technical review timelines, and limitations associated with approved budget modalities. Discussions were initiated with the BIOFIN Technical Advisor and Regional Team to identify expenditure realignment and alternative implementation options.

b) Output progress

Output statement	**Baselines Value type**	**Indicators**	**Annual Targets**	**End of the project target**	**Progress**	**Means of verifications and comments to substantiate the selected response**
Project Outcome 1.1: National biodiversity-related policy and institutional (PIR) framework analyses are completed, including recommendations to optimize the current	No comprehensive biodiversity finance-focused policy and institutional review available	Draft Policy and Institutional Review prepared and validated through stakeholder consultations	Draft PIR completed and submitted for technical review	Final PIR completed and endorsed	Achieved	Inception workshop completed. Literature review and policy analysis completed. Public sector consultation workshop conducted in October 2025. PIR

institutional structure and finance solutions						zero draft submitted in November 2025 and under technical review.
Project Outcome 1.2: Harmful and positive subsidies and incentives to biodiversity are identified	No consolidated assessment of biodiversity-related incentives and subsidies available	Assessment of harmful and positive biodiversity incentives completed	Preliminary assessment incorporated into PIR and BER analysis	Assessment finalized and integrated into Biodiversity Finance Plan	Achieved	Initial assessment completed through PIR and BER analytical work. Preliminary findings identified harmful subsidies, incentive gaps, and opportunities for reform.
Project Outcome 2.1: National expenditure related to biodiversity across all relevant sectors is quantified with current and future trends	No comprehensive biodiversity expenditure assessment across sectors	Draft Biodiversity Expenditure Review prepared and validated	Draft BER completed and submitted for technical review	Final BER completed and endorsed	Achieved	BER zero draft submitted in November 2025. Analysis covered biodiversity-related expenditure across public, private, NGO, and development partner sources.
Project Outcome 3.1: Financial needs for achieving the	No comprehensive estimate of biodiversity financing	Financial Needs Assessment initiated	FNA methodology and prepar	Final FNA completed and endorsed	In Progress	Background analysis, data collection,

Global Biodiversity Framework targets at national level are fully costed	requirements available		atory analysis completed			and preparatory work initiated during the reporting period. Drafting commenced.
Project Outcome 4.1: National biodiversity finance plans are developed and validated by stakeholders	No national Biodiversity Finance Plan available	Biodiversity Finance Plan development initiated	BFP preparation initiated using PIR and BER findings	National Biodiversity Finance Plan finalized and endorsed	In Progress	Initial development of finance solutions and biodiversity finance planning initiated using PIR and BER findings.
Project Outcome 5.1: A global knowledge and technical assistance platform is established to share knowledge and experiences across participating countries and partner organizations	Global BIOFIN platform established	Participation in BIOFIN global knowledge exchange and technical support mechanisms	Participation in BIOFIN global coordination and technical support activities	Knowledge products and lessons shared across BIOFIN countries	Ongoing	Engagement maintained with the BIOFIN Technical Advisor and Regional Team. Technical reviews and guidance provided through the BIOFIN global support mechanism.
Project Outcome 6.1: Project M&E meets UNDP standards	No annual progress report submitted for the reporting period	Country Office submits annual updates and status reports	Annual progress report prepared	Project reporting completed according to UNDP standards	In Progress	Annual progress report prepared. Supporting document

						ation and evidence compiled in accordance with UNDP reporting requirements.
Project Outcome 1.1: National biodiversity-related policy and institutional (PIR) framework analyses are completed, including recommendations to optimize the current institutional structure and finance solutions	No comprehensive biodiversity finance-focused policy and institutional review available	Draft Policy and Institutional Review prepared and validated through stakeholder consultations	Draft PIR completed and submitted for technical review	Final PIR completed and endorsed	Achieved	Inception workshop completed. Literature review and policy analysis completed. Public sector consultation workshop conducted in October 2025. PIR zero draft submitted in November 2025 and under technical review.

Data sources and references (can be prepared as an annex with details)

The project maintained regular engagement with government agencies, development partners, academia, civil society organizations, financial institutions, and private sector stakeholders through consultation meetings, technical workshops, and validation events. These engagements increased awareness of biodiversity finance concepts and promoted collaboration between environmental and finance sector institutions.

The Ministry of Environment, Forest and Climate Change continued to provide technical leadership and guidance. The project also strengthened collaboration with stakeholders from the finance sector, including government finance institutions and other relevant actors involved in biodiversity finance discussions. No additional co-financing was mobilized during the reporting period; however, stakeholder engagement established a foundation for future resource mobilization and implementation of biodiversity finance solutions.

Presentation is attached with photos of stakeholder consultations.

3. Communications, visibility, and partnerships (1000 characters maximum)

BIOFIN Bangladesh maintained engagement with MoEFCC, government agencies, development partners, academia, civil society organizations, financial institutions, and private sector stakeholders through meetings and technical consultations. These engagements increased awareness of biodiversity finance and strengthened collaboration between environment and finance sector institutions. MoEFCC provided technical leadership and coordination support. Arannayk Foundation supported consultation planning and stakeholder engagement activities. No additional co-financing was mobilized during the reporting period. Project documentation, presentations, consultation records, and meeting minutes are available as supporting evidence. No dedicated project website was established during the reporting period.

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4. Project risks and mitigation measures (1000 characters maximum)

The risks and mitigation measures shared below are at a national level. The BIOFIN Global programme completed risk register. A national level risk register may need to be developed in consultation with ICs.

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Risk/Challenge	Mitigation Measure	Responsible	Status
Delays in obtaining biodiversity expenditure and finance data	Continued engagement with focal points and technical counterparts	BIOFIN Team, Consultants, MoEFCC	Ongoing
Extended technical review timelines	Regular coordination with Global BIOFIN Technical Advisor	Project Manager, Technical Advisor	Ongoing
Stakeholder availability constrained by competing priorities	Advance scheduling and coordination with institutions	BIOFIN Team, MoEFCC	Ongoing
Budget modality constraints affected implementation	Consultations initiated on expenditure realignment and implementation options	Project Manager, Finance Associate, Technical Advisor	Ongoing
The risk is that the development of guidance materials is not adequately aligned with the requirements and timelines of governments.	GPMTSU will timely coordinate and implement key tasks in developing methodologies, tools and guidance, in order to roll out guidance in the most efficient and time-sensitive manner possible.	BIOFIN Global Project Manager,	Ongoing

5. Lessons Learned (800 characters maximum)

Broad stakeholder engagement improved the quality and ownership of BIOFIN analytical products. Consultations indicated that biodiversity finance challenges extend beyond funding gaps and include governance fragmentation, expenditure inefficiencies, harmful subsidies, pollution pressures, and limited private sector participation. Early engagement of government agencies, financial institutions, academia, civil society organizations, and local stakeholders strengthened validation of findings and awareness of biodiversity finance.

Technical consultants demonstrated strong capacity to lead the assessments. Additional expertise in natural resource economics and conservation biology could have further strengthened technical analysis and interpretation of findings. Timely exploration and implementation of human resource planning and procurement options during project inception could have facilitated more efficient management, specialized expertise and compliance to project delivery timelines, financial management and implementation.

6. **Way Forward** (800 characters maximum)

During the next reporting period, the project will prioritize incorporation of technical review comments and finalization of the PIR, BER, and FNA. Development of the Biodiversity Finance Plan will continue, including identification and prioritization of finance solutions, implementation arrangements, and monitoring approaches. Engagement with MoEFCC, government agencies, financial institutions, development partners, and other stakeholders will continue to support validation and ownership of BIOFIN outputs. Priority actions include addressing financial and implementation risks associated with the current budget structure. Consultations with the Finance Associate, BIOFIN Technical Advisor, and Regional BIOFIN Team will continue to identify compliant expenditure realignment options and alternative implementation modalities. Efforts will also focus on strengthening project risk management, reporting systems, and implementation readiness for the next phase of BIOFIN Bangladesh.

<u>Priority actions for the project and other teams before the next reporting cycle.</u>

Issue/observation	Action to be taken	Responsible	Timeline
PIR, BER and FNA under review	Incorporate technical review comments and finalize reports	BIOFIN Team and Technical Consultants	Q1–Q2 2026
Biodiversity Finance Plan under development	Finalize BFP and finance solutions package	BIOFIN Team and Technical Consultants	Q2–Q3 2026
Misalignment between approved budget provisions and implementation requirements may require budget revision	Discussions have been initiated with the BIOFIN Technical Advisor and Regional Team to identify expenditure realignment options and	Project Manager, Finance Associate, BIOFIN Technical Advisor, Regional Team	Ongoing

	alternative implementation modalities.		

7. Annexures

a. List of Tasks Completed
b. Presentation from Arannayk Foundation
c. List all four deliverables
d. Global Risk Register attached to PRODOC

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Annex A

List	Output	Status Dec 2025
1.	PIR	Zero draft completed and submitted for review
2.	BER	Zero draft completed and submitted for review
3.	FNA	Under preparation
4.	BFP	Initiated
5.	Consultation contract	Inception report completed. Local consultations scheduled for implementation in 2026