

JOINT PROJECT DOCUMENT

Project Title: Local Government Initiative on Climate change (LoGIC)

Joint Project Outcome: Improved and inclusive local level planning and a strengthened financing mechanism for community based climate change adaptation solutions through local governments.

<p>Project Duration: 48 months</p> <p>Anticipated start/end dates: October 2016-September 2020</p> <p>Fund Management Option(s): Parallel and Pass-through (Parallel, pooled, pass-through, combination)</p> <p>Managing or Administrative Agent: EU: N/A SIDA: UNDP (if/as applicable)</p>	<p>Total estimated budget*: \$ 19,270,754</p> <p>Out of which:</p> <p>1. Funded Budget: \$ 19,270,754</p> <p>* Total estimated budget includes both project costs and indirect support costs</p> <p>Sources of funded budget:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Source</th> <th style="text-align: left;">Currency</th> <th style="text-align: right;">Amount</th> <th style="text-align: right;">USD</th> </tr> </thead> <tbody> <tr> <td>GCCA+*/EU**</td> <td>EURO</td> <td style="text-align: right;">8,000,000</td> <td style="text-align: right;">8,968,610</td> </tr> <tr> <td>SIDA**</td> <td>SEK</td> <td style="text-align: right;">85,000,000</td> <td style="text-align: right;">9,902,144</td> </tr> <tr> <td>UNDP</td> <td>USD</td> <td style="text-align: right;">200,000</td> <td style="text-align: right;">200,000</td> </tr> <tr> <td>UNCDF ***</td> <td>USD</td> <td style="text-align: right;">200,000</td> <td style="text-align: right;">200,000</td> </tr> <tr> <td>Unfunded</td> <td>USD</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> <td style="text-align: right;">19,270,754</td> </tr> </tbody> </table> <p>Government will contribute 60million Taka (equivalent to 765,550 USD) as parallel contribution to the Project.</p> <p>* GCCA+ support for enhancing communities resilience to climate change and related disasters. **Contributions are provided in EURO and SEK respectively and are subject to exchange rate variation. ***UNCDF's activities will be implemented under the country framework document of its LoCAL global project</p>	Source	Currency	Amount	USD	GCCA+*/EU**	EURO	8,000,000	8,968,610	SIDA**	SEK	85,000,000	9,902,144	UNDP	USD	200,000	200,000	UNCDF ***	USD	200,000	200,000	Unfunded	USD			Total			19,270,754
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UN organizations	National Coordinating Authorities
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<p>UNCDF Robert Watkins UN Resident Coordinator</p> <p style="text-align: right; margin-top: 20px;"><i>Signature</i></p> <p style="text-align: right; margin-top: 10px;"><i>Date & Seal</i></p>	<p>Local Government Division Ministry of LGRD and Cooperatives Abdul Malek, Secretary</p> <p style="text-align: right; margin-top: 20px;"><i>Signature</i></p> <p style="text-align: right; margin-top: 10px;"><i>Date and Seal</i></p>

Acronyms

AA	Administrative Agent
AWP	Annual Work Plan
BCCSAP	Bangladesh Climate Change Strategy and Action Plan
BCCTF	Bangladesh Climate Change Trust Fund
CBA	Community Based Adaptation
CCA	Climate Change Adaptation
ccGAP	Climate Change and Gender Action Plan
CDMP	Comprehensive Disaster Management Programme
CFF	Climate Fiscal Framework
CRA	Community Risk Assessments
CRF	Community Resilience Fund
CSO	Civil Society Organization
DMC	Disaster Management Committee
DPP	Development Project Proforma
DRR	Disaster Risk Reduction
EU	European Union
FYP	Five Year Plan
GCF	Green Climate Fund
GDP	Gross Domestic Products
GED	General Economics Division
GoB	Government of Bangladesh
HACT	Harmonized Approach to Cash Transfers
IBFCR	Inclusive Budgeting and Financing for Climate Resilience
IP	Implementing Partner
JPMF	Joint Programme Monitoring Framework
LCFF	Local Climate Fiscal Framework
LCG	Local Consultative Group
LDP	Local Development Plan
LDRRF	Local Disaster Risk Reduction Fund
LGD	Local Government Division
LGED	Local Government Engineering Department
LGI	Local Government Institution
LGSP	Local Government Strengthening Project
LoCAL	Local Climate Adaptive Living Facility
LoGIC	Local Government Initiative on Climate change
M&E	Monitoring and Evaluation
MIC	Middle Income Country
MIS	Management Information System
MoDMR	Ministry of Disaster Management and Relief
MoEF	Ministry Environment and Forest
MoF	Ministry of Finance
MOU	Memorandum of Understanding
MPTF	Multi Partner Trust Fund
NAP	National Adaptation Plan
NAPA	National Adaptation Programme of Action
NDA	National Designated Authority
NGO	Non-Government Organization
NIM	National Implementation Modality

NPD	National Project Director
PBCRG	Performance Based Climate Resilient Grants
PCO	Project Counterpart Officer
PFM	Public Finance Management
PM	Project Manager
PMU	Programme Management Unit
PSC	Project Steering Committee
RRAP	Risk Reduction Action Plan
SAA	Standard Administrative Arrangements
SIDA	Swedish International Development Authority
SSIP	Strengthening Sustainable and Inclusive Planning
TBD	To Be Determined
ToR	Terms of Reference
ToT	Training of Trainers
UN	United Nations
UNCDF	United Nations Capital Development Fund
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNDP-CPAP	United Nations Development Programme-Country Programme Action Plan
UNDP-POPP	United Nations Development Programme-Programme Operations Policy and Procedure
UNEG	United National Evaluation Group
UNEP	United Nations Environment Programme
UP	Union Parishad
UPGP	Union Parishad Governance Project
UZGP	Upazila Governance Project

1. Executive Summary

This United Nations Development Programme (UNDP) and United Nations Capital Development Fund (UNCDF) joint project in Bangladesh plans to promote local action on climate change adaptation at scale.

The project will address climate change impact in Bangladesh. The country is ranked 6th among the 10 countries of the world most affected by climate change and disasters¹. It is experiencing change in rainfall, rise in temperature, and is often battered by extreme weather events like cyclones, floods and rise in sea level which compound into raised salinity of water resources and soil. A government estimate indicates that in five major disasters since 1998, the country suffered a loss of nearly 15% of GDP². These events exacerbate poverty and vulnerability of people on a regular basis

The Government already recognises the severity of climate change and therefore, the related concerns are being gradually mainstreamed in the national development policy planning and financing. The Government has formulated a national action plan (BCCSAP 2009) that provides core programme direction. However, this sector is served by a number of sectoral policies which also shape the expenditure pattern in the national budget. While the local government institutions (LGIs) are mandated to implement many actions related to climate effects, these actions need to be included in the local plans as climate proofing initiatives.

The proposed project will address gaps at local and national levels based on which the results have been designed. At the local level, despite being a repository of local knowledge and information, the LGIs fall short of harnessing the potentials from the local community. The mechanism for formulation of the LDPs has scope to engage the poor and vulnerable groups in a participatory way to reflect their climate-related needs and demands. Communities and households face difficulties in securing access to the planning and financing mechanism for sustainable development solutions. On the other hand, the Civil Society Organizations (CSOs)³ and local institutions⁴ who have long been functioning at local level for enhanced participation and accountability also shy off the process owing to lack of appropriate capacity. An in-depth analysis of the potentials and the gaps was carried out to identify the intervention areas at the local level.

The project is designed to support roughly 200,000 most vulnerable households in 72 unions in seven districts. The benefits are expected to come out of climate change adaptation actions at various levels, scaled up through local government institutions incorporating high quality accountability and participation of the most vulnerable people. This concept evolves around six strands: i) building capacity, awareness and empowerment of the vulnerable people to generate plans; ii) development of capacity of the local government to integrate climate change into their local development plans; (iii) building capacity and engagement of local actors and government extension workers at local level to work as driver for accountability of climate

¹ Germanwatch, 2015. <https://germanwatch.org/en/download/10333.pdf>

² The 6th Five Year Plan, General Economics Division (GED), Ministry of Planning (MOP), Government of the People's Republic of Bangladesh, Dhaka.

³CSO refers to school management committees, freedom fighters council, press club, youth organizations, women groups, farmers associations, fishermen associations, market committees, voluntary groups, teachers associations, social leaders etc.Mode of selection of CSOs will be included in Operation Manual.

⁴ Local institutions refer to local organizations like field level offices of different government departments, Disaster Management Committees (DMCs), Research Institutions etc.Mode of selection of local institutions will be included in Operation Manual.

action; iv) provide grants to local government as additional resource to climate-proof their investment on community based adaptation work; v) provide direct support to the vulnerable households to meet their adaptation needs; vi). Promote a local climate financing mechanism through evidence based advocacy for delivering climate finance at scale.

The project will enhance the capacity of vulnerable communities, local government institutions and civil society organisations for planning and financing climate change adaptation solutions in selected climate vulnerable areas. By achieving the objectives and results, the project will contribute to the reduction of poverty and vulnerability in Bangladesh. This is expected to produce following results:

- Strengthened capacity of vulnerable people and local stakeholders for accountable planning and financing on CCA/DRR actions for building resilience.
- Enhanced access of LGIs and vulnerable households to climate funds have for climate resilient infrastructures and adaptive livelihoods.
- Established evidence based advocacy for a mechanism for ‘financing local resilience.

The total duration of the project is 48 months, including a 6 months inception phase. The Local Government Division (LGD) of the Ministry of Local Government Rural Development and Cooperatives (MoLGRD&C) will be the implementing agency and will assume overall responsibility for management and implementation of the project in a manner consistent with GoB and UNDP polices. A Project Steering Committee (PSC) will be formed with the participation of Ministry of Planning, Ministry of Disaster Management and Relief (MoDMR), Ministry of Finance, Ministry Environment and Forest (MoEF), and other relevant ministries. The PSC will be responsible for consensus management decisions for the project when guidance is required, including approval of project plans and revisions. UNDP and UNCDF will jointly manage a Project Management Unit (PMU) comprised of national and international staff members to support the LGD to implement the project, under the guidance of National Project Director (NPD). A separate committee may be set up to oversee the technical aspects of the project.

The total budget of the project is US\$ 20.0 million. EU will sign one Delegation Agreement with UNDP and UNCDF as co-delegates. Sida will sign an agreement with UNDP as Administrative Agent. ALoE will be signed between UNDP and UNCDF for EU and SIDA resource sharing. An approved Project Document with GoB will be the basis of legal agreement between UNDP-UNCDF and GoB on managing the project. The PMU of the Project, under the guidance of NPD will be responsible for providing financial and project report to development partners through UNDP and UNCDF. The existing development partners and other interested development partners (beyond EU and SIDA) may also join to support the project at a later stage. There will be scope to explore additional resource mobilization from internal and external sources to scale up successful models of the project within the scope of the current project.

As per UN’s role, UNDP and UNCDF will continue to play a role in managing various risks including fiduciary risk together with assurance of project quality. A comprehensive monitoring and evaluation system will be in place to demonstrate accountability, track impacts and progress and generate knowledge.

The project envisages a twofold sustainability of efforts beyond its stipulated life. Firstly, through the capacity building component primary stakeholders will continue to utilise the knowledge and skill gained for better performance at their respective levels. The vulnerable

households and the community at large will continue to derive benefits by using the knowledge transferred. Besides, the civil society engagement would amplify the demand for more investment for adaptation in an accountable, transparent, participatory and inclusive manner. Therefore, there would be a clear qualitative change on the demand side of the agenda. Similarly, the LGIs will continue to include climate change into their LDPs based on the knowledge and skills they would acquire from the project including the participatory approach for accountable service delivery. The climate fiscal framework initiated by the Ministry of Finance will create conditions to formulate local climate fiscal framework. Knowledge and evidence from the project will provide enough inputs into the practice of climate agenda at the local level. Therefore, the supply side of it is expected to make a qualitative change. The results will be reinforcing the good practices for scaling up and mainstreaming which in turn will ensure sustainability.

2. Situation Analysis

According to the Climate Risk Index 2015, Bangladesh ranks sixth among those 10 countries in the world that are most vulnerable to climate change-induced natural disasters (Germanwatch, 2015). The country has been experiencing changes in rainfall pattern, increased temperature, high frequency of extreme weather events (i.e. flooding in the river basins, widespread droughts in the North and cyclones in coast) which in turn, are exacerbating the long term effects like salinity in water and crop land, extended water shortage, sea and river erosion, severe high tide and sea level rise etc. Regular annual flooding inundates 20% of the landmass while major floods like that in 1998 inundated two thirds of the country. The frequency of cyclones during November and May over the North Indian Ocean increased twofold in last 122 years⁵.

Being home to the world's largest river systems and delta, the country has a very low and flat topography⁶. UNEP predicted (1989) 1.5 metre rise in sea level by 2030 submerging 22,000 square kilometres, or 16 percent of the country's total landmass, and affecting about 15 percent of the total population of Bangladesh. Using the Bay of Bengal in a hydrodynamic model, the World Bank has estimated an escalation of impact, whereby cyclone exposed areas in Bangladesh will increase by 26%, and the affected population will grow as high as 122% by 2050. It is estimated that between 1991 and 2000, 93 disaster events occurred resulting in 200,000 deaths and causing \$5.9 billion in damage. A Government report estimated the costs of abnormal monsoon flooding in 2007 at \$1.1 billion and the directly attributable costs of Cyclone Sidr at \$1.7 billion⁷. While the country made progress in reducing the death burden resulting from natural disasters, the remaining challenge is to protect livelihoods which push people below the poverty line, force them to migrate to urban areas in search of work and excludes them from a rightful participation in shaping local level decision making and service provisioning in favour of them. However, the sheer magnitude of poverty, underdevelopment and massive impact of climate change related events have compelled large sections of the population to continue to remain vulnerable, challenging the nation's dream to become a Middle Income Country (MIC) by 2021.

On another front, Bangladesh has achieved significant results in terms of economic growth, poverty reduction and improvements in health and educational status. As a result, during years

⁵ Seventh Five Year Plan Background Paper on Climate Change and Disaster Management, 2014.

⁶ About 10% of the country is hardly one meter above the sea level, Windston et al., 2010

⁷ UNDAF 2012-16, page24

2000-2010, the rate of poverty fell by 1.7 percentage point a year: reducing from 49 percent in 2000 to 24% in 2015⁸.

The Government of Bangladesh realised the importance of climate change threats to the desire of transforming itself into a MIC by 2021 and has been actively engaged in reducing this challenge for quite some time now⁹. The development of climate change policy in Bangladesh has been influenced by the international context where the country played a leading role in highlighting the position of the LDCs in the climate finance debate. At the national level, the climate change agenda operates in a competitive policy environment, where sectoral policies take a lead in shaping public expenditure¹⁰ although there is scope to reflect climate change as an item of expenditure. This highlights an absence of a systematic approach to integrate climate change into planning and budgeting both at the national and local level. A good example of this is the Local Government Division (LGD), which is the highest spending ministries in respect of climate sensitive activities (22% over three years)¹¹; however, there is the need to include climate change activities at the ministry level Budget Framework. To address such challenges, the Government of Bangladesh recently formulated the Climate Fiscal Framework (CFF)¹² to provide principles and tools for climate fiscal policy-making, helping to identify the demand and supply sides of climate fiscal funds (expenditures vis-à-vis revenue or finance, respectively).

Going beyond policy issues, Bangladeshi people, despite vulnerabilities, have developed their home grown adaptability to deal with natural disasters although, the sheer magnitude of multiple impacts overwhelm the traditional coping mechanisms at the local level. The vulnerable population is experiencing climate change impact but most often do not have adequate access to information and analytical ability to explain circumstances, their causes and adopt long term remedies. Access to information, financial resources and technology are major challenges for people to adapt to climate change both at household and local level. Thus, the effectiveness of climate actions remains contingent upon how the priorities and concerns of most vulnerable sections which includes men, women, children, ethnic minorities and people with disability are addressed.

A recent analysis of the expenditure pattern on climate change¹³ indicates that the Local Government Institutions (LGIs)¹⁴ receive regular development finance and other safety net resources (e.g. food) from different sources. They also generate their own revenue. The LGIs have been drawn into the implementation of several regular development programmes and provide a platform for long term interventions. Their growing involvement in working closely with national programmes has enabled a gradual improvement in capacities and systems, albeit with significant limitations in own financial resources and technical competencies.

⁸ Bangladesh Bureau of Statistics Yearbook 2014.

⁹ Background paper on Climate Change and Disaster management, Seventh Five Year Plan. GoB. 2014

¹⁰ Public Expenditure for Climate Change: Bangladesh Climate Public Expenditure and institutional review, General Economic Division, Planning Commission Government of the People's Republic of Bangladesh, 2012.

¹¹ Climate Public Expenditure and Institutional Review. Ministry of Planning. GoB. 2012.

¹² The CFF is developed by Finance Division in 2014, which developed to facilitate an enabling environment covering:

- equitable division and allocation of climate funds to the concerned sectors;
- division of service, identification of the demand for climate fund and expenditure responsibilities;
- determining areas of financial authority for revenue-raising, national and international financing options, and fiscal tools; and
- provide a governance framework of climate fiscal funds under the national fiscal policy

¹³ Public Expenditure for Climate Change: Bangladesh Climate Public Expenditure and institutional review, General Economic Division, Planning Commission Government of the People's Republic of Bangladesh in 2012. This is further confirmed by Finance Division's Climate Fiscal Framework in 2014.

¹⁴ A two tier local government structure of which 4500 Union Parishads constitute the lowest structure with both an elected body as well as a civil administrative unit.

However, the existing development schemes of LGIs at the community level remain confined to infrastructure. As a result, the vulnerable households face two fold challenges in addressing climate risks at their level: firstly, they do not have direct access to resources and secondly, they cannot adequately influence the planning and budgeting of the local government. Lessons from UNDP and UNCDF experience suggest that integration of climate change in the actions of LGIs, CSOs and the local institutions working at the local level can help deliver climate change resources at scale. However, both these actors lack the capacity and incentives to integrate climate change into their development planning. Such incentives in the form of technical support, access to finance and leadership can unleash the potential for the country to deliver climate finance at scale in all vulnerable areas and all climate vulnerable populations. Considering the gaps and challenges in this arena, this project focuses on **six elements**: i) building capacity, awareness and empowerment of the vulnerable people to generate plans; ii) development of capacity of the local government to integrate climate change into their local development plans; (iii) building capacity and engagement of local actors and government extension workers at local level to work as driver for accountability of climate action; iv) provide grants to local government institutions as additional resource to climate-proof their investment on community based adaptation work; v) provide direct support to the vulnerable households to meet their adaptation needs; vi). And promote a local climate financing mechanism through evidence based advocacy for delivering climate finance at scale.

3. Strategies, including lessons learned and the proposed joint project

This Joint project stems from the learning and experience gathered through the work of two UN agencies: UNDP and UNCDF in Bangladesh covering the aspects of reducing vulnerability of the community, enhancing their participation in local level planning and budgeting for climate actions, increasing capacity of the stakeholders and improving the governance of LGIs with regard to climate financing.

It is worth mentioning here that despite a proactive commitment of the government on climate change issues at the international level, the national level work is characterized by actions at various ministry and department level with slow cascading down. Amidst multiple policies and actors, there is inadequate opportunity for the marginalized groups and vulnerable community to effectively contribute to shaping the climate actions at the local level.

Funding mechanisms also indicate range of sources from both government and development partners but all concentrated at the national level. Recent studies¹⁵ indicate that though 78% of the climate change activities are currently funded by GoB, the expenditure pattern is overwhelmingly shaped by sectoral policies and their implementation rather than climate change policy. On the other hand, the highest spending organ of the government in terms of implementation of project at the local level (the Local Government Division-LGD) does not make reference to climate change indicators in the budget at Ministry level. In view of the recent decision of the government to develop a Climate Fiscal Framework (CFF), it is important that the LGIs have the relevant capacities to exercise the CFF induced changes in its routine work.

¹⁵ Climate Public Expenditure Review, 2012 and Climate Fiscal Framework, 2014. Both studies are done by Government of Bangladesh.

The project is also in line with the efforts of the Local Consultative Group¹⁶ (LCG)'s Working Group on Environment which is actively engaged in coordination and knowledge sharing in this field. In 2013, the group endorsed the 'common platform' approach for capacity building on climate change aiming to deliver against those objectives. Climate Financing is identified as one of the functions that call for capacity development. Therefore, this proposed project falls well within the broad framework of the work of this working group.

3.1 Lessons Learned

The project design specifically **includes lessons learned** from previous and ongoing UN and civil society partnership initiatives with GoB on local governance and disaster risk management, such as CDMP, UPGP and LoCAL.

Climate Finance to reach at local level and to the most vulnerable: The GoB is taking gradual steps to make climate change an integral part of national development planning and fiscal management. Major national policy and planning documents¹⁷ have highlighted the need for a strong and accountable local government mechanism empowered by additional resources, authority and capacity building. The LGIs have been mandated to carry out implementation of many national policies/strategies. Disaster Management has become a core function of the LGIs¹⁸ with their standing committees¹⁹ that bring together all stakeholders working at the local level. The Disaster Management Act of 2012 requires formation of Disaster Management Committee in all Unions. The most important needs expressed by the vulnerable people at local level are practical means to enhance their portfolio of resilient livelihoods (Islam and Rashid, 2014).

Local Governance as a key entry point for local resilience: The two agencies worked together on the Learning and Innovation component of the Local Government Strengthening Project (LGSP)²⁰. The learning and best practices were replicated nationwide through LGSP II. The Union Parishad Governance Project (UPGP) and the Upazila Governance Project (UZGP)²¹ are testing a third generation of local governance innovations: integrated planning and budgeting of the two tiers of local government, performance-based fiscal transfer through national system, and policy reform engagement. These particular mechanisms, along with the best practices, will serve as the building block for integration of CCA-DRR into the five-year and annual plans of LGIs.

Integration of participatory approaches into local development planning: The Comprehensive Disaster Management Programme (CDMP) of the Ministry of Disaster Management and Relief (MoDMR), and the specific work done through the Local Disaster Risk Reduction Fund (LDRRF), indicated the need to strengthen the analytical ability and confidence of the most

¹⁶Members include representatives from different government ministries, bilateral and multilateral Development partners, NGOs, UN agencies, and civil society. It aims at ensuring a collective vision and approach on capacity building on climate change in Bangladesh to promote maximum effectiveness, efficiency, and added value.

¹⁷ National Rural Development Policy 2001, 6th Five Year Plan (2011-2016), Union Parishad Act (UP Act 2009) etc.

¹⁸ LGI at rural level includes three tiers (Union Parishad, Upazila Parishad, Zila Parishad) and in urban areas two tiers (Pourashava/Municipality and City Corporation).

¹⁹ Each UP comprise of 11 sectoral Standing Committees to work on various sectors having scope to integrate climate change.

²⁰ WB financed action, implemented by the Local Government Division of the MoLGRDC.

²¹ Ongoing EU funded Local Governance and Decentralization Programme for Union Parishads and Upazila Parishads.

marginalized groups to participate in local planning. The Project design incorporates specific participatory methods into a risk-informed LDP planning process such as the Community Risk Assessment and the UNDP-UNCDF open budgeting approach.

Performance-based climate financing for local government: The Local Climate Adaptive Living Facility (LoCAL), which is an approach piloted by UNCDF in Bangladesh, Bhutan and Cambodia presents an opportunity to meet the gaps. LoCAL applies principles of fiscal decentralization, effective local planning and public financial management to climate change. The core mechanism of LoCAL consists in the performance based climate resilient grants (PBCRGs) which ensure programming and verification of climate change expenditure at the local level. The (PBCRGs) would provide a financial top-up to cover additional costs of climate-proofing of existing infrastructures or undertake new schemes to improve climate resilience at local level.

Climate Grants provided directly to most vulnerable populations: A general trend observed from past initiatives in Bangladesh is that ongoing efforts to reach the most vulnerable to climate changes are not adequate; their needs remain largely unmet despite many of the efforts described above. Therefore, the Project will create a Community Resilience Fund (CRF) that will finance community-level initiatives that yield immediate benefits to household-level and community absorptive and adaptive capacity through effective low-regrets interventions for which an existing evidence base exists.

Direct electronic cash transfer: the Community Resilience Fund will be channeled through an electronic cash transfer mechanism to the vulnerable household using their unique personal and mobile phone identities. This mechanism has been widely used by humanitarian community and the UN agencies in Bangladesh with significant improvements in efficiency and security compared to traditional transfer channels.

Multi-sector partnership: The project also incorporates sector-wide learning on partnership development between local government and other local service providers of government, including civil society, to meet the need for increased implementation capacity associated with the additional financing provided through the PBCRG and CRF interventions. This includes transparent selection of service providers and ensuring a clear understanding of benefits to incentivize LGIs.

Multi-stakeholder engagement: A further lesson learned from other experiences suggests that proper targeting of LGIs (union parishads) and beneficiary communities, as well as their level of commitment, transparency, engagement and motivation among other things, shape their success or failure, and ensure a minimum level of sustainability of the proposed action. At the same time, proper identification of local service providers has proven to be crucial for the success of previous interventions.

3.2 The proposed joint project:

Vulnerable people living in disaster-prone areas of Bangladesh have developed strategies and practices to cope with these natural events; however, they have inadequate empowerment to influence over development planning in their communities.

This valuable body of local knowledge, in combination with the existing modern warning systems and improved access to information and technology, can contribute to strengthen the local adaptive capacity. This Project is banking on a sound problem analysis derived from previous and ongoing initiatives implemented by the two participating UN agencies.

Table 1: Summary of opportunity and gaps analysis

Level	Opportunity	Gaps
National	<ul style="list-style-type: none"> • Strong institutional mechanism both at national and local level. • High degree of political commitment about climate change. • Existence of climate fiscal framework. 	<ul style="list-style-type: none"> • Absence of systematic mechanism to transfer climate finance at local level with strong fiduciary standards. • Inadequate public finance to promote climate change adaptation at scale. • Less access to international climate finance for local level adaptation of the most vulnerable people,
Local government	<ul style="list-style-type: none"> • Well established elected bodies throughout the country. • Regular planning & budgeting process. • Adequate knowledge about local development issues. • Regular fiscal transfer from GoB together with some local revenue. • Established standing committees. 	<ul style="list-style-type: none"> • Limited understanding about climate change. • Varying degree of skills to incorporate climate change in regular planning process. • Direct access to climate change finance. • Inadequate accountability in planning and budgeting process.
NGOs	<ul style="list-style-type: none"> • Existence throughout the country with high development knowledge. • Use of participatory development approach. • Access to external development finance. • Array of service delivery packages with potential to adopt for climate change adaptation. • Credibility to engage with vulnerable and marginalised community. 	<ul style="list-style-type: none"> • Limited capacity to transform existing knowledge and approach to address climate change. • Large NGOs are often not from local community. • Often lacks partnership skill • Lack of interest to build capacity of local actors.
CSOs	<ul style="list-style-type: none"> • Multiple in nature, very local and pluralistic, formed by local people having people's interface. • Strong social capital for social mobilization 	<ul style="list-style-type: none"> • Need for upscaling the role as drivers of accountability at local level. • Inadequate capacity to conduct social audits

Level	Opportunity	Gaps
Vulnerable community	<ul style="list-style-type: none"> • Repository of local knowledge of adaptation. • Adoptive to new ideas and approaches for sustainability • Leadership as change agent to some extent. 	<ul style="list-style-type: none"> • Limited access to knowledge and skills, technology and funds for adaptation. • Limited capacity to influence local development plans

In order to address the issues mentioned in the table above, the proposed project envisages the following **priority areas of action**:

- a) Building capacities of individuals and households with information, knowledge, skills and technology to adapt to climate change as well as leadership skills to influence the local planning process.
- b) Build capacity of the local CSOs, local institutions, and LGIs in climate change integrated planning, budgeting and implementation with high degree of accountability and inclusive practice.
- c) Provide funds to LGIs to plan and implement climate resilient activities and interventions at community and household level.
- d) Generate knowledge and mobilise opinion for shaping a local climate fiscal framework and enhance readiness of both the LGIs and the Local Government Division to utilise national and international climate finance in an accountable way.

These priorities will be addressed through three sets of core actions: capacity building, providing access to climate change funds and policy advocacy. During the planned support period, the proposed project is expected to produce following **three key results**:

Firstly, the capacity of local governments, households and other local stakeholders will be increased enabling them to enhance existing and future local development plans by integrating climate change adaptation solutions.

Secondly, a financing mechanism for local governments to implement climate change adaptation solutions will be established; the Performance Based Climate Resilient Grants will be aligned with the current system of fiscal transfers to Local Government Institutions using and improving it. It also covers the design and implementation of a Community Resilience Fund that will provide resources for community and household level climate change adaptation solutions for vulnerable households.

Thirdly, it is of upmost importance that the pilot experience gained at the community and local level is informing wider policy and practice and ultimately aim at improving and reforming the planning and financing system of the GoB for CCA at local and community level, ensuring sustainability beyond the project.

3.3 Project strategy

The key strategy of this intervention is to facilitate and augment what the Government of Bangladesh has demonstrated as proactive commitment at national and international levels to tackle the challenge of climate change. GoB has made important progress in meeting its international climate commitments: developed NAPA, developed NAP Road Map, developed BCCSAP, developed CFF, included climate change into public sector development project proforma (DPP), submitted INDC and integrated climate change priorities in the Seventh FYP.

Significant steps have been taken to make climate change an integral part of the national development planning and fiscal management, and to strengthen the capacity of central government institutions to effectively utilize the increasing resources allocated to climate change activities, including setting up of Bangladesh Climate Change Trust Fund (BCCTF) with its own resource and Bangladesh Climate Change Resilience Fund (BCCRF) with the development partners contribution. With the establishment of the Green Climate Fund (GCF) under the UNFCCC and the improving coherency within the global climate finance architecture, Bangladesh is expected to receive additional funds from international sources as well. Economic Relations Division (ERD) has become National Designated Authority (NDA) of Bangladesh to GCF. NDA is facilitating access to GCF and as part of the effort, Bangladesh has received one of the eight first approval of funding proposals in GCF. Local Government Division has got the first project in Bangladesh from GCF, which is going to be implemented by the Local Government Engineering Department (LGED).

There are several initiatives such as LGSP, UPGP, UZGP, LDRRF, LoCAL that have strengthened local government institution (LGI) capacity for effective planning, budgeting and implementation of local development programming. However, these initiatives do not yet fully account for the unique nature of climate finance utilization, which requires greater attention to: inclusive and participatory assessment and planning processes to address climate change; reaching the most vulnerable to climatic shocks and stresses; and strengthened multi-sector partnerships and community accountability mechanisms to ensure quality of local development programmes. Moreover, the government decision to implement the recently developed (2014) Climate Fiscal Framework (CFF) will require systems strengthening at all levels for successful implementation, with special focus on LGI capacity to integrate CFF requirements into routine work processes.²²

The Project will contribute to GoB's work to meet its national and international commitments through focusing specifically on both the demand and supply side of climate-sensitive local development planning. The project is fully aligned with BCCSAP, ccGAP and NAPA that Ministry of Environment and Forest has developed in recent years to tackle climate change in Bangladesh. The Project falls under **Pillar 5 of the current UNDAF** priority area and is in line with the efforts of the Local Consultative Group²³ (LCG)'s Working Group on Environment. The lessons of the Project are expected to contribute to update the Bangladesh Climate Change Strategy and Action Plan (BCCSAP), which is a living document.

3.3.1 Project outcomes and Activities Strategies²⁴

Approaches for output 1 and 2: An integrated strategy for participatory and climate-inclusive local development planning and financing

Figure 1 provides a visual representation of the main approaches (or thematic areas) that make up the integrated strategy to achieve output 1 (strengthened capacity to develop climate-sensitive LDPs) and output 2 (financing mechanisms to fund climate-sensitive LDPs). The red-

²² GoB, Ministry of Finance (Dhaka, 2014). Climate Fiscal Framework.

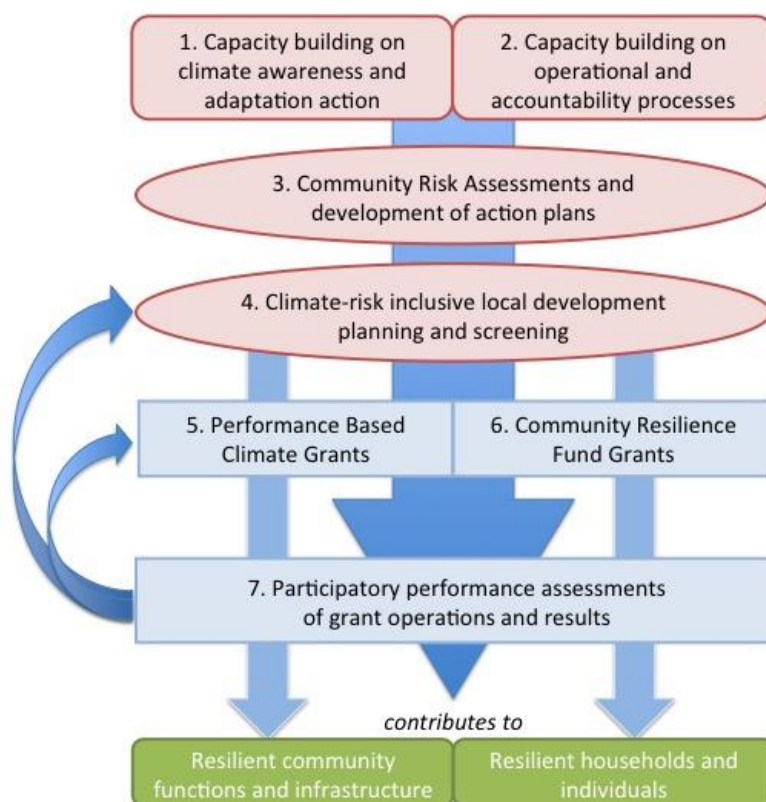
²³Members include representatives from different government ministries, bilateral and multilateral Development partners, and UN agencies. It aims at ensuring a collective vision and approach on capacity building on climate change in Bangladesh to promote maximum effectiveness, efficiency, and added value.

²⁴ Note from Author: This narrative covers only outcomes 1 and 2. Outcome 3 needs to be drafted by UNDP colleagues with more substantive knowledge of the Bangladesh policy and practice environment.

shaded approaches 1-4 are organized under outcome 1, and the blue-shaded approaches 5-7 are organized under outcome 2.

The approaches correspond directly to specific project outputs described under each outcome below. Combined, these project approaches will, over the longer term, contribute to improved absorptive and adaptive capacity to deal with climate shocks and stresses at the community and household level.

Figure 1: Project strategic approach (a sequential approach)



Output 1: strengthened capacity of local governments, households and other local stakeholders to develop local plans that integrate climate change adaptation measures and disaster risk management

Approaches 1 and 2 focus on capacity building of government, CSOs, local institutions²⁵, local stakeholders, and community members on climate change awareness, opportunities for adapting to climate change and the specific mechanisms and activities proposed under the Project. Building on this improved capacity and with guidance provided through the Project, stakeholders will undertake approach 3, the participatory Community Risk Assessments (CRA), which will inform the development of local Risk Reduction Action Plans (RRAP)²⁶. Under approach 4, these plans will then be integrated into the local development planning process and regularly screened against current and emerging environment, climate and disaster risk priorities to improve the climate-inclusive Local Development Plans on an ongoing basis.

²⁵ The Local Institutions does not include the contracting NGOs.

²⁶ CRA-RRAP is an established mechanism in the MoDMR projects and programme. (link to CRA-RRAP website)

Output 1: Strengthened capacity of local governments, households and other local stakeholders to develop local plans that integrate climate change adaptation measures and disaster risk management	
Activities and Description	
Activity 1.1: Capacity enhancement plan developed and implemented	<p>The Project will organize a stakeholder assessment to map CSOs and available local institutions that should be targeted for the training activities.</p> <p>The Project will organize needs assessments, as necessary, to understand current levels of knowledge on (1) climate change and relevant adaptation options (2) roles of local organizations in development planning and action (i.e., the CRA/RRAP process proposed under output 1.3 and the participatory LDP process proposed under output 1.4), and to identify the most effective means for knowledge transfer to men and women in the project areas.</p> <p>Based on these needs assessments, the project will develop the most effective ToT and training approaches and materials, which take into account socio-cultural context and specifically state how barriers to participation will be addressed.</p> <p>Training will be followed by a process of structured support and regular reflection, whereby project staff guide the participating institutions staff in applying their knowledge and skills in practical situations.</p>
Activity 1.2: Inclusive community based adaptation plans developed	<p>The Project will organize needs assessments, as necessary, to understand current levels of knowledge of participatory planning and accountability approaches, and formal/informal roles and responsibilities of individual government duty bearers in the LDP process.</p> <p>Specifically, knowledge assessment will focus on the following potential training topics: CRA/RRAP, risk screening of LDP, performance measurement, grant management, partnership building, micro-procurement, participatory monitoring, and community engagement.</p> <p>Based on these needs assessments, the project will develop appropriate ToT and training approaches and materials, which take into account socio-cultural context and specifically state how barriers to participation will be addressed.</p> <p>Training will be followed by a process of structured support and regular reflection, whereby project staff guide LGI staff in applying their knowledge and skills in practical situations.</p>
Activity 1.3: Community resilience fund operationalise dto finance community based innovative solutions for households through the CSOs and local institutions	<p>The Project will support LGIs to undertake community risk assessments (CRA) with the involvement of CSOs and other local institutions. However, project will sub-contract qualified NGOs/institutions to facilitate the CRA process, to be selected by UN agencies in consultation with NPD, who represents the LGD. These CRAs will produce information relevant to the specific LDP planning process and context in each UP. CRAs will range from updating existing assessments through additional data collection and analysis, to organizing new assessments. The UP Disaster Management Committee (DMC) or Standing Committee for Environment will lead these assessments with technical support from sub-contracted NGOs/local institutions. Assessment teams will include the direct participation of local government, local stakeholders and community members, with focus on participation of vulnerable groups, to ensure the methodology is reflective of real needs and there is broad ownership of assessment results.</p> <p>Using the CRA findings, the project will coach LGIs and the other local stakeholders to organize and analyze the findings, prepare a five-year RRAP that prioritizes actions for the short- (year 1 and 2) and medium-(year 3-5) term, and organize the stakeholder validation process to ensure broad community consensus, awareness and ownership over the results.</p> <p>The RRAP will be updated on an annual basis to take into account new risk-related information to ensure relevance of the priorities to inform development of the LDP.</p>

Output 2: Established financing mechanism to fund local governments and communities for implementing climate change adaptation measures

To utilize the strengthened capacity and implement the climate-inclusive Local Development Plans developed under Outcome 1, the Project will establish two types of specific financing at the Union level: a Performance-Based Climate Grant (details in annex 1) and a Community Resilience Fund (details in annex-2).

Under approach 5, a Performance-Based Climate Resilient Grant will allocate additional resources to complement existing LGI budget with the specific purpose of strengthening resilience to negative climate and disaster impacts on development investment, i.e., infrastructure and public services for the poor. The Performance Based Climate Resilient Grants will be aligned with the current system of fiscal transfers to Local Government Institutions using and improving it (for details please find annex-01).

Approach 6 will establish the Community Resilience Fund to channel grants directly to households vulnerable to negative climate change and disaster impacts. The two grant mechanisms are complementary, whereby the Community Resilience Fund is a medium-term measure to meet livelihood and food security needs of vulnerable households that are currently not effectively reached, while efforts increase to strengthen systems for sustainable public service delivery. The CRF will predominantly support the extreme poor households to enhance their adaptive livelihood portfolios (for details, please find annex-02).

Approach 7 focuses on strengthening the quality and accountability of the activities funded through the two grant mechanisms, and of the performance of the grant mechanism itself. This will involve strengthening the broad range of technical and implementation partnerships with civil society, academic and private sector actors, and focusing specifically on participation of beneficiaries in quality and accountability monitoring. Project will sub-contract NGOs to facilitate social auditing process at local level to foster the accountability of climate actions.

Output 2: Established financing mechanism to fund local governments and communities for implementing climate change adaptation measures.	
Activities	
Activity 2.1 Performance based climate resilient grants (PBCRG) system is developed and implemented through LGIs	<p>The Project will provide additional funding to the LGI through existing government-to-local fiscal transfer channels. This funding will be earmarked to fill gaps in existing LDP financing for the public service and infrastructure priorities identified in the RRAP, i.e., ensuring that water, sanitation and road infrastructure meets climate change related national technical standards.</p> <p>Determination of formula based grants allocation to UPs, weighted by climate change vulnerability performance and other parameters. Development of a catalogue of climate adaptation and resilience related performance measures.</p> <p>In Inception phase of the project, the criteria for PBCRG will be developed by PMU.</p>

Output 2: Established financing mechanism to fund local governments and communities for implementing climate change adaptation measures.	
Activities	
Activity 2.2 Performance of LGIs is assessed for compliance with mandatory requirements and superior performance	<p>Performance of LGIs will be assessed annually for compliance with mandatory requirements and superior performance.</p> <p>On the basis of performance scoring, transfer of Performance Based Climate Resilience Grants (PBCRGs) to qualified UPs will take place.</p>
Activity 2.3: Community Resilience Fund (CRF) operational	<p>The Project will establish a fund to directly channel micro-grants (not more than USD 400 per household) to vulnerable households for low-regret resilience actions that are not otherwise funded, and that yield immediate benefits to household-level absorptive and adaptive capacity. The main focus will be on livelihood resilience but other context-specific wellbeing actions may be considered, based on the RRAP. In Inception phase of the project, an operation manual for CRF will be developed by the project, which will be the basis of the implementation of CRF.</p> <p>Eligible Households²⁷ can apply²⁸ for the CRF grants directly by expressing interest to local government representatives. If the households are eligible as per CRF criteria, the sub-contracted NGO/institution will help the household to develop a Household Level Plan. This household plan will be treated as a micro-proposal to the LGI for CRF. The LGI will form a local level committee²⁹ to screen proposals against the RRAP for relevance and to ensure that overall household-level adaptation aligns with and complements the climate-inclusive LDP. The project will support the LGI to develop the necessary support mechanism by sub-contracted NGOsto assist households in developing the micro-grant proposals based on the RRAP, and to work with LGI staff to review and approve the micro-grant proposals. This process will build household and LGI capacity to apply for CRF funds independently after the project ends.</p> <p>CRF grants will be provided directly to selected households using an electronic cash transfer mechanism based on the unique personal and mobile phone identity of the head of household. This mechanism has been widely used by humanitarian community work and by the UN agencies in Bangladesh with demonstrated improvements in cost efficiency and security compared to traditional transfer means. The project will use public procurement to identify the company that will manage the transfer system.</p>

²⁷ Who are extremely vulnerable, usually remain unreached from UP support systems. Beneficiary selection criteria will be developed during inception phase.

²⁸ Households will express their interest through local elected representatives and therefore their name will be registered as potential beneficiary. The final selection process will be designed during inception phase.

²⁹ The committee will represent CSOs, Local Institutions, Women Ward members, School teachers, local level government extension workers. Mode of forming committee will be included in operation manual.

Output 2: Established financing mechanism to fund local governments and communities for implementing climate change adaptation measures.

Activities

Activity 2.4 CCA-DRR financing at local level enhanced by the active participation and scrutiny of communities CSOs and local institutions

The Project will support the DMC and UP Standing Committee on Environment to develop a performance measurement framework, and to set up a system for participatory performance assessment of the PBCRG and CRF operations and results. The performance measurement framework will track progress against (1) LGI performance indicators including climate change resilience actions and (2) the longer-term RRAP priorities. The assessments will be undertaken on an annual basis. Assessment results will be presented in public town hall meetings and included in LGI reporting obligations. Lessons learned will be incorporated directly into the LDP development process.

The Project will support the LGI in strengthening and expanding civil society, academic and private sector partnerships required to effectively and efficiently monitor LDP compliance with technical standards, assess quality of LDP results, and ensure geographic and needs-based targeting criteria indicated in the RRAP are adhered to.

The Project will directly facilitate the structured participation of community members, particular those identified under the RRAP as most vulnerable to climate risk, in the LGI-oriented performance assessment process. This initiative will serve to improve the social accountability of LGIs.

Approaches for output 3: Evidence based learning and policy advocacy for scale up initiatives.

The strategy to achieve output 3 is composed of several main approaches:

Under output 3, approach 1 will focus on the collection and consolidation of evidence from their respective models implemented under result areas 1 and 2, in accordance with a common knowledge management and learning framework set up under the project. For this, the project will implement extensive monitoring of processes, outputs and outcomes to build the necessary evidence to demonstrate relevance, effectiveness and potential for sustainability. This will form the basis for targeted advocacy described under approach 2 to mainstream good practices of both results 1 and 2 into relevant planning and strategic decision-making processes. It is important to note that this evidence will be in place by year 3, so that project partners can focus activities in the last year of the project on promoting the scaling up of good practice models within the project areas and organizing more targeted evidence-based advocacy.

Approach 2 will focus on identifying the appropriate advocacy opportunities that can be effectively targeted during the project lifetime, e.g., the upcoming national adaptation plan, updated climate fiscal framework, country framework for green climate fund, 8th FYP etc. The partners will develop a project advocacy strategy to identify specific evidence-based messages and opportunities to inform policy, planning and practice and to *scale up* the project models. The project partners will seek to align advocacy efforts with those of other organizations and initiatives to maximize leverage.

Output 3 –Experience and evidence inform and contribute to further improvements in policies and practices for UPs and national systems in relation to climate change adaptation.

Output 3: Experience and evidence inform and contribute to further improvements in policies and practices for UPs and national systems in relation to climate change adaptation.	
Activities	
Activity 3.1 Designing and implementing systems to learn lessons at the local level and informing the policy dialogue at the national level.	<p>The Project will support the development and publication of series of policy briefs, which is a concise summary of policy points derived from practices to inform the policy makers. One particular issue will bring highest two policy points or policy options to deal with for learning and advocacy. It will be aimed at government policymakers and others who are interested in formulating or influencing policy regarding climate change adaptation, disaster risk reduction, community based adaptation, climate change financing and related issues.</p> <p>There will be two types of policy briefs that the project aims to publish: a) number of advocacy brief, which argue in favour of scale up and mainstreaming of community based adaptation actions; and b) number of objective brief, which give balanced information for the policymaker to make up his or her mind regarding the community based adaptation. The policy briefs will be developed based on the field evidences and lessons from the actions done under output 1 and 2 of the project.</p>
Activity 3.2 Collecting and sharing of experiences supporting and hindering the process on local climate financing.	<p>Capturing Lessons Learned and Informing the Policy Makers: The Project will capture intervention specific lessons, as well as strategic lessons from local level interventions throughout the project’s life cycle. The lessons will be analyzed to improve outcome and communicate the lessons to wider stakeholders’ engaged in climate change adaptation. As a key part of the project cycle, documenting lessons learned will be undertaken to help the project team discover both strengths and weaknesses and draw inferences from the lessons so we can inform the policy makers. It will provide an opportunity for project team members and/or partners (GoB, UNDP, UNCDF, EU) to discuss successes and failure during the project, unintended outcomes, and recommendations for others involved in similar future projects. It will also allow the project team to discuss things that might have been done differently, the root causes of problems that occurred, and ways to avoid those problems in later project stages.</p> <p>Use of lessons learned will be a principal component of project's knowledge management and policy advocacy culture committed to continuous improvement and adaptive management. Lessons learned mechanisms will communicate acquired knowledge more effectively and ensure that beneficial information is factored into planning, work processes, and activities. The mechanisms or processes will be used to collect, share, and disseminate lessons learned will be developed in the inception phase and be reviewed accordingly. In general, such a process will comprise of five main elements: defining the project results, documenting process and collecting information, verifying applicability, storage, and dissemination.</p>

Output 3: Experience and evidence inform and contribute to further improvements in policies and practices for UPs and national systems in relation to climate change adaptation.

Activities

Activity 3.3 Informing and advocating for adoption of national policies that embrace the proposed methodology.

Evidence-based policy making: To convince policy-makers, it is important to demonstrate that project ideas of CBA or local adaptation initiatives are well-founded and make sense. For this, the project will provide and cite convincing examples such as data, comparisons, and effects of inactions or policies taken in Bangladesh and other countries on this issue. The Project staff will collect, store and document evidence from our project works, multiple reputable sources, so that while we develop the policy brief cite these sources properly. The relevant project staff will regularly update the list of sources covering the themes and controversies of each of scenarios. These documents will be the best place to begin the process of learning about the research and evidence that underlies the policies we will be creating.

Facilitation of policy discussion at various level: UNDP as an advocate of evidence-informed policy making argue that the depth and quality of knowledge used by policy makers influence the effectiveness of policies. The uptake of research evidence in the policy making process is on the front burner of global discourses on approaches and strategies for development. The proposed project is going to increasingly emphasize on the need to communicate research evidence to policy makers. This means a flurry of activities will take place in supporting the communication of research evidence to policy makers.

However, the policy success largely depends on the strength of the evidence, its reliability, momentum and the ownership of the policy makers. The policy making process regarding local climate change adaptation depends on various levels of stakeholders and engagements: LGIs, CSOs, local institutions, Academia, Media, triangulation of the Environment-Disaster-Local Government ministries senior officials, Planning-Finance-Parliament stakeholders, law makers and different champions in ministries and interest groups.

The Project will therefore organize policy discussions at district, division, national and international level based on the evidences and lessons from the project and key succinct policy points that will come out from the research findings. The project has planned to organize at least 10 policy discussions in Bangladesh to include the local dimension of climate change adaptation and disaster risk reduction into key policy and planning documents: Revised BCCSAP, NAP, Five Year Plan (in Mid Term review of 7th Five Year Plan), and Green Climate Fund's Country Programme Framework (in 2017).

Activity 3.4 Integrate local climate fiscal framework lessons into the national climate fiscal framework.

Ministry of Finance has formulated a National Climate Fiscal Framework (CFF) to manage demand and supply side of climate finance at national level. UNDP and DFID is supporting the implementation of the CFF through Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project.

Output 3: Experience and evidence inform and contribute to further improvements in policies and practices for UPs and national systems in relation to climate change adaptation.

Activities

	<p>The Planning Commission has also conducted a scoping study for local climate fiscal framework (LCFF) in 2013, led by General Economics Division (GED). The study has recommended scaling up and trying the implementation of LCFF for mainstreaming community based adaptation (CBA) into local development planning and financing process. Under the current project, with component 1, there will be an attempt to implement the local climate fiscal framework in selected LGIs. The future climate finance to Bangladesh needs to strongly recognize the local adaptation dimension and therefore the project will attempt to integrate LCFF into CFF so that while Bangladesh’s readiness for climate finance both at national and local level is achieved before the Green Climate Fund (GCF) starts to finance climate actions at local level.</p> <p>The LoGIC project will work closely with IBFCR project of Finance Division and SSIP project of Planning commission to make the policy agenda of financing local adaptation matured so that the issues are adequately recognized in Government’s planning and finance related documents.</p> <p>Several strategies are planned to make the integration successful. The proposed project will conduct several workshops, facilitate a GoB core team’s field visit to project areas, organize workshops for reflection of good practices and key lessons, develop a joint policy brief and explore the areas of integration by Finance Division’s task force for CFF and publish the key lessons from LCFF integration process.</p>
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4. Cross-cutting concerns (focus on gender)

Successfully addressing crosscutting issues is critical for the success of the Project. Vulnerability and adaptive capacity to climate change are gendered and consequently to ensure the local development planning process is appropriate, the project will support good gender equity and social justice practices.

The world has gathered enough evidence to support that women and girls are often disproportionately vulnerable to natural disasters and climate change impacts where their endowments, agency and opportunities are not equal to those of men³⁰ rather the context of vulnerability is furthermore exacerbated by gender relations. Similarly, just as natural disasters affect women disproportionately, response and recovery efforts can also increase or reinforce existing inequalities³¹. Based on the global literature and the experiences drawn from this country itself, this project also banks on the following premises³²:

- *Vulnerability to climate change is gendered.* Women are disproportionately vulnerable to natural hazards due to social norms. These social norms reinforce socially acceptable

³⁰Arnold, Margaret and Cynthia Burton (2011). “Protecting and Empowering Vulnerable Groups in Disaster Recovery.” *World Reconstruction Conference: Proceedings*. Washington, DC: The World Bank: 210–240.

³¹Ibid page 6

³²Gender and Climate Change in Bangladesh: the Role of Institutions in Reducing Gender Gaps in Adaptation Program, Nilufar Ahmad, World Bank March, 2012.

gender inequality and reproductive responsibilities, which in turn, constrain women's mobility and survival options.

- *Adaptive capacity is gendered.* Women, have less control over capitals, limited economic opportunities and lack of voice in decision making. These factors reduce women's capacity to adapt and overcome hazards.
- *Access to institutions that can help increase adaptive capacity is also gendered.* Findings from studies reveal that very few women have access to public institutions. This constrains their access to adaptation information and support. The findings also reveal that by practicing gender inclusion, institutions can promote transformation of women as change agents with higher adaptive capacity.

Therefore, the Project will adopt an inclusive approach for all vulnerable and marginalized communities. Additional emphasis will be placed on women and girls for all the components of the project. Sex disaggregated data will be collected for all baselines and other studies planned. A gender analysis will be undertaken to inform all the approaches and results planned by the project: capacity building, social mobilisation, investment at household and community level, planning and budgeting, policy advocacy.

Gender and inclusive approach is considered as a key indicator at outcome level and thus will also be mainstreamed across all proposed activities using the following approach: i) development of gender sensitive and inclusive M&E framework (will be developed during inception phase) and regular monitoring; and ii) guidance note (will be developed in inception phase) for gender sensitive and inclusive beneficiary selection and response planning. A conscious combination of all these approaches will reduce the gender based vulnerability and transform women into leaders and change agents for community resilience. The proposed budget of the action will go through gender screening, and will have a gender marker in place.

Coordination and linkages will also be built with the Pillar 7 (Gender equality) under the UNDAF as well as other relevant forum for sharing.

The project will take a first step in identifying and raising awareness on gender equity issues within the local governance system, while focusing more concretely on women's empowerment within the allocation and utilization of PBCRG and CRF grants.

Specifically, project partners will integrate the following activities in the approaches for outcomes 1 and 2:

General: semi-annual gender awareness workshops for all project staff, and the establishment of an internal working group to monitor project gender equality efforts described in the points below.

Activities 1.1 and 1.2: integration of gender equality assessment modules in the pre-capacity building needs assessments as relevant to the project focus. Consequently, inclusion of appropriate gender equality modules in the project training interventions (activity 1.1 and 1.2).

Activities 1.3 the CRA process that informs the LDP will focus on unpacking differential vulnerability and understanding its drivers, which will include gender inequality. The RRAP will prioritize action to improve gender equity and social justice, as relevant to climate and disaster risk. Consequently, the screening process will review the LDP against RRAP priorities to ensure targeting criteria are appropriate. The project will support LGIs to adhere to national

standards for women's participation, i.e., the minimum requirements for women's participation in standing committees.

Activity 2.1: the Project will support LGIs to ensure equitable participation of women in carrying out the PBCF activities, e.g., participation of women in cash for work schemes.

Activity 2.2: the Project will support LGIs to ensure CRF targeting criteria and proposal review/approval processes are reflective the RRAP priorities, including as relevant to gender equity.

Activity 2.3: the Project will support the development of a performance measurement framework for PBCF and CRF activities that reflects the RRAP priorities, and includes gender equity indicators as relevant to these priorities. The project will further support the LGI to ensure that participation in the performance assessment process and the community-led quality and accountability mechanism appropriately reflects the most vulnerable groups to climate and disaster risk in the community, including appropriate participation of women.

At the beginning of the project, a thorough gender assessment will be conducted and a gender action plan for the project will be developed including simple gender screening tools for community to use in screening gender responsive climate change adaptation schemes both at UP and household/community level.

5. Sustainability

Project sustainability can be described in terms of technical, social, policy, environmental and financial dimensions.

Technical dimension: guidelines for the project models will be developed with and endorsed by local and national government for continued use after the project ends; models and guidelines will be shared with regional and national stakeholders for scaling up and out, including through the UNDP regional climate finance program.

Social dimension: UP standing committees practice good governance with a focus on inclusiveness and transparency in UP leadership; effective collaboration facilitated through the project among UPs, private sector, civil society and community stakeholders will improve mutual accountability; women community members will demonstrate models of economic empowerment through participation in local development planning and CRF activities; the improved understanding on gender equity and women's empowerment among partners, local government and stakeholders will result in explicit inclusion of gender equity in future projects and programmes.

Policy dimension: Project activities and advocacy are in line with government priorities; project partners will make use of relevant policy and coordination networks to share project models, which will be used to guide future investments; through effective advocacy, regional and national initiatives acknowledge the effectiveness of the project models demonstrated through the project

Institutional dimension: Local government planning processes are more inclusive and apply the participatory and accountability approaches demonstrated through the project. Local

authorities acknowledge the added value of quality of partnership by involving a range of partners from civil society and private sector actors in LDP implementation. Awareness on gender equity, participatory approaches and open dialogue are embedded in local government culture and decision-making. Sub grantee and partner CSO, local institutions act as role model to community-based organizations on how civil society can successfully work with government.

Financial dimension: Development partners are willing to provide resources to the Project models that have been proven effective during the action. As budget allocation to resilience activities and climate adaptation increases (in part due to improved availability and coordination of international funds), local government will have the funds to resource more of their plans.

Environmental dimension: Project guidelines and advocacy materials will support improved natural resource management.

The project plans to sustain a number of results of the project beyond the project's current life. First, the community continues to utilise the knowledge and skills gained through the project into its regular life and livelihood options. Through the leadership skills and the accountability culture the project promotes, vulnerable people will continue to influence the local planning process. Secondly, the enhanced planning and budgeting capacity of the LGIs will continue to be applied. Thirdly, the LGD by acquiring evidence and knowledge, will mainstream climate change into their work.

A number of strategies are adopted by the project for sustainability. Through the capacity building and knowledge transfer the vulnerable households will continue to utilise. Civil society engagement will amplify the demand for more investment for adaptation in accountable, transparent, participatory and inclusive manner. Similarly, the LGIs will continue to include climate change into their LDPs based on the knowledge and skills they would acquire from the project. The climate fiscal framework of the Ministry of Finance creates condition to formulate the local climate fiscal framework. Project's knowledge and advocacy component will produce sufficient evidence to include climate into the current policies on fiscal transfer to LGIs.

The Project will develop a clear exit plan to come into force at the end of the project period. There will be documentations on lessons learned and a framing of a participatory phase out plan. Preparations for the phase out will start right after the mid-term evaluation with transparent communication to all stakeholders. To this effect, some additional capacity development may be planned especially on leadership and management. The project will plan a gradual handover with back up support over a period of time. The ultimate objective of this phase out is to transform from a project to a mainstreamed national mechanism implemented at the local level.

6. Geographical locations and duration of the project

The project is aimed for 48 months and will be implemented in 70-80 Unions covering 19Upazilas in seven districts³³ identified from the most vulnerable locations of Bangladesh. A

³³ Selected from the UNDAF priority districts and Hard to reach category based on the working definition agreed by the two agencies.

multiple stage of **selection process** were utilised to target the geographical locations for the project which include the following:

- Exposure to climate hazard and risk i.e. salinity, sea level rise, cyclone and flood.
- Concentration of extreme poverty based on poverty map of Bangladesh and household income and expenditure survey.
- UNDAF prioritized districts followed by the UN system for selecting its programming areas.
- Identified as a hard to reach area and
- A measure of local inequality will also be used to target the most vulnerable households.

In addition, the proposed actions also considered the priority districts of UPGP and UZGP. Out of six districts selected, three were selected from working areas of UPGP and UZGP.

Table 2: List of selected districts and sub-districts for the action

District	Upazila	Climate Hazard
Khulna	Koira, Dacop	Salinity, Cyclone, SLR
Bagerhat	Mongla, Sharonkhola, Morelganj	Salinity, Cyclone, SLR
Patuakhali	Rangabali, Dashmina	SLR, Cyclone, Salinity
Barguna	Pathorghata, Sadar and Taltoli	Sea-level rise, Cyclone, Salinity
Bhola	Sadar, Doulatkhan and Borhanddin	Cyclone, Tidal Flood
Kurigram	Char Rajibpur, Roumari, Chilmari	Riverine and Flash Flood
Sumanganj	Tahirpur, Dirai, Salla	Flash Flood

The current locations are though inadequate in comparison to needs at local level in Bangladesh to address climate change, but the project with current funding wants to focus on these areas for notable adaptive capacity at LGI and Household level. If the other development partners join at the later stage of this project or can leverage new funds from domestic and international climate funds, the project will gradually expand to drought, riverbank erosion, waterlogging and flood vulnerable areas.

7. Results Framework

The outcome of this Joint Project is: **Improved and inclusive local level planning, and increased funding for community based CCA-DRR solutions, supported by a strengthened financing mechanism.** The Project includes three result areas, with associated outputs as follows:

Output 1 - Strengthened capacity of local governments, households and other local stakeholders to develop local plans that integrate CCA-DRR solutions.

- Activity 1.1: Capacity enhancement plan developed and implemented
- Activity 1.2: Inclusive community based adaptation plans developed
- Activity 1.3: Community resilience fund operationalised to finance community based innovative solutions for households through the CSOs and local institutions

Output 2 - Established financing mechanism to fund local governments and communities for implementing climate change adaptation measures.

- Activity 2.1: Performance based climate resilient grants (PBCRG) system is developed and implemented through LGIs
- Activity 2.2: Performance of LGIs is assessed for compliance with mandatory requirements and superior performance
- Activity 2.3: Community Resilience Fund (CRF) operational

Activity 2.4 CCA-DRR financing at local level enhanced by the active participation and scrutiny of communities and CSOs, local stakeholders and institutions

Output 3: Experience and evidence inform and contribute to further improvements in policies and practices for UPs and national systems in relation to CCA

Activity 3.1 Designing and implementing systems to learn lessons at the local level and informing the policy dialogue at the national level.

Activity 3.2 Collecting and sharing of experiences supporting and hindering the process on local climate financing.

Activity 3.3 Informing and advocating for adoption of national policies that embrace the proposed methodology.

Activity 3.4 Integrate local climate fiscal framework lessons into the national climate fiscal framework.

Table 3: Results Framework

UNDAF Outcome 5.1. By 2016, populations vulnerable to climate change and natural disaster have become more resilient to adapt with the risk.										
Joint Project Outcome Improved and inclusive local level planning and a strengthened financing mechanism for community based climate change adaptation solutions through local governments.										
Indicators					Baseline					
• % of target UPs that have incorporated climate change adaptation into their development plans.					0%					
• % of target UP plans that have addressed the adaptation needs and priorities of vulnerable women and girls.					0%					
• % of UP that have established and are implementing the Climate Resilience Financing system					0%					
• % of target UPs that are allocating other resources to implementing CCA linked schemes.					Current expenditure TBD by Baseline Survey					
JP Outputs (Give corresponding indicators and baselines)	Participating UN organization-specific Outputs	Participating UN organization	Participating UN organization corporate priority	Implementing Partner	Indicative activities for each Output	Resource allocation and indicative time frame*				
						Y1	Y2	Y3	Y4	Total
Output 1: Strengthened capacity of local governments, households and other local stakeholders to develop local plans that integrate climate change adaptation measures and disaster risk management Indicators: • % of women, poor and marginalized people that participate in the formulation of	UNDP	UNDP, UNCDF		TBD	<i>Sub-output and related activities:</i> 1.1 Capacity enhancement plan developed and implemented 1.1.1 Developing and implementing programme for vulnerable households to transfer skills, knowledge and technology for resilience building. 1.1.2 Developing and implementing a capacity enhancement (risk informed planning and budgeting) strategy LGIs (including all standing committees). 1.1.3 Build capacity of the CSOs, local institutions and stakeholders to design and implement accountability mechanism including					

<p>climate risk integrated LDPs</p> <p>% of target UPs that integrate CCA solutions into LDPs to support the most vulnerable households.</p>					<p>social audit (based on the learnings and existing tools from UPGP & UZGP project).</p> <p>1.2 Inclusive community based adaptation plans developed</p> <p>1.2.1 Conducting Participatory Risk Assessment (CRA)</p> <p>1.2.2 Sharing and prioritising actions from CRA at Ward Shava (sub-union level planning exercise required by Law).</p> <p>1.2.3 Develop Local Development Plans of LGIs incorporating climate and disaster risks.</p>					
<p>Output 2: Established financing mechanism to fund local governments and communities for implementing climate change adaptation measures</p> <p>Indicators:</p> <ul style="list-style-type: none"> • % of target vulnerable households who benefit from CCA finance • % of target UPs that secure funding to support CCA linked schemes based on their performance • % of Open Budget sessions in target UPs 	<p>UNCDF, UNDP</p>	<p>UNCDF, UNDP</p>			<p><i>Sub-output and related activities:</i></p> <p>2.1 Performance based climate resilient grants (PBCRG) system is developed and implemented through LGIs</p> <p>2.1.1. Determination of formula based grants allocation to UPs, weighted by climate change vulnerability performance and other parameters.</p> <p>Action: Development of a catalogue of climate adaptation and resilience related performance measures</p> <p>2.1.2 Development of a monitoring mechanism to track CCA-DRR funds flow at national and local levels, according to specific performance indicators.</p> <p>2.2 Performance of LGIs is assessed for compliance with mandatory requirements and superior performance</p>					

that discussed CCA linked expenditure					<p>2.2.1 Support to the annual performance assessment of LGIs for compliance with mandatory requirements and superior performance</p> <p>2. 2.2 Transfer of Performance Based Climate Resilience Grants (PBCRGs) to qualified UPs</p> <p>2.3 Community resilience fund operationalised to finance community based innovative solutions for households through the CSOs and local institutions</p> <p>2.3.1 Develop Community Resilience Fund for LGIs and CSOs and local institutions to support vulnerable households.</p> <p>2.3.2 Disbursement, result and compliance monitoring of resilience grants for adaptive livelihoods of vulnerable households.</p> <p>2.4 CCA-DRR financing at local level enhanced by the active participation and scrutiny of communities and CSOs and local institutions</p> <p>2.4.1 Engagement of CSOs and local institutions in the oversight of LDPs on community based planning, grant utilization, and schemes' implementation to assure quality, accountability and community ownership</p> <p>2.4.2 Delivery of grants monitoring report by CSOs and local institutions.</p> <p>2.4.3. Inclusion of monitoring, reporting and verification (MRV) into PMU.</p>					
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<p>Output 3: Experience and evidence inform and contribute to further improvements in policies and practices for UPs and national systems in relation to climate change adaptation.</p> <p>Indicators: <ul style="list-style-type: none"> • The extent to which National Adaptation Plan (NAP) and 7th Five Year Plan (7FYP) integrate financing for local adaptation • The extent to which local climate fiscal framework is integrated into the national Climate Fiscal Framework </p>	UNDP				<p><i>Sub-output and related activities:</i></p> <p>3.1 Policy analysis of two/three major relevant policies. 3.1.1 Review current policy provisions and develop a strong policy case for financing local level adaptation and disaster risk reduction. 3.1.2 Publish a synthesis policy notes for senior policy makers and parliament.</p> <p>3.2 Policy briefs and knowledge products based on field evidence and lessons. 3.2.1 Develop and publish issue based policy briefs. 3.2.2 Develop and publish knowledge products based on field evidence and lessons.</p> <p>3.3 Facilitate policy discussion at various levels. 3.3.1 Local level policy discussions 3.3.2 District level policy discussions 3.3.3 National level policy discussions.</p> <p>3.4 Integrate local climate fiscal framework lessons into national climate fiscal framework. 3.4.1 Establish partnership amongst Finance Division, Planning Commission, Local Government Division, Ministry of Environment and Forest, and Ministry of Disaster Management and Relief</p>					
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					3.4.2 Policy discussion with Finance Division for inclusion of LCFF into CFF.					
UN organization 1- UNDP	Project Cost **									
	Indirect Support Cost**									
UN organization 2- UNCDF	Project Cost									
	Indirect Support Cost									
	Project Support Cost									

*Resource allocation may be agreed at either output or indicative activity level.

** Please read the [Explanatory Note on Harmonized Financial Reporting to Development Partners](#) and its Annexes for guidance on how these terms should be interpreted

8. Risks and Assumptions

The trend shows that political commitment for decentralization of governance continues and even increases; it is expected that the commitment in the Seventh Five Year Plan for promoting devolution to Local Governments deepens in implementation period, together with the commitment for financing local CCA-DRR. In this context it is expected that macro planning and national budget mechanisms recognize the importance of financing the community level actions and scale up the financing support under the national climate fiscal framework implementation. By demonstrating the tangible benefits of local level planning and financing community level actions, this project will contribute to catalyse decentralization and increase funding and support.

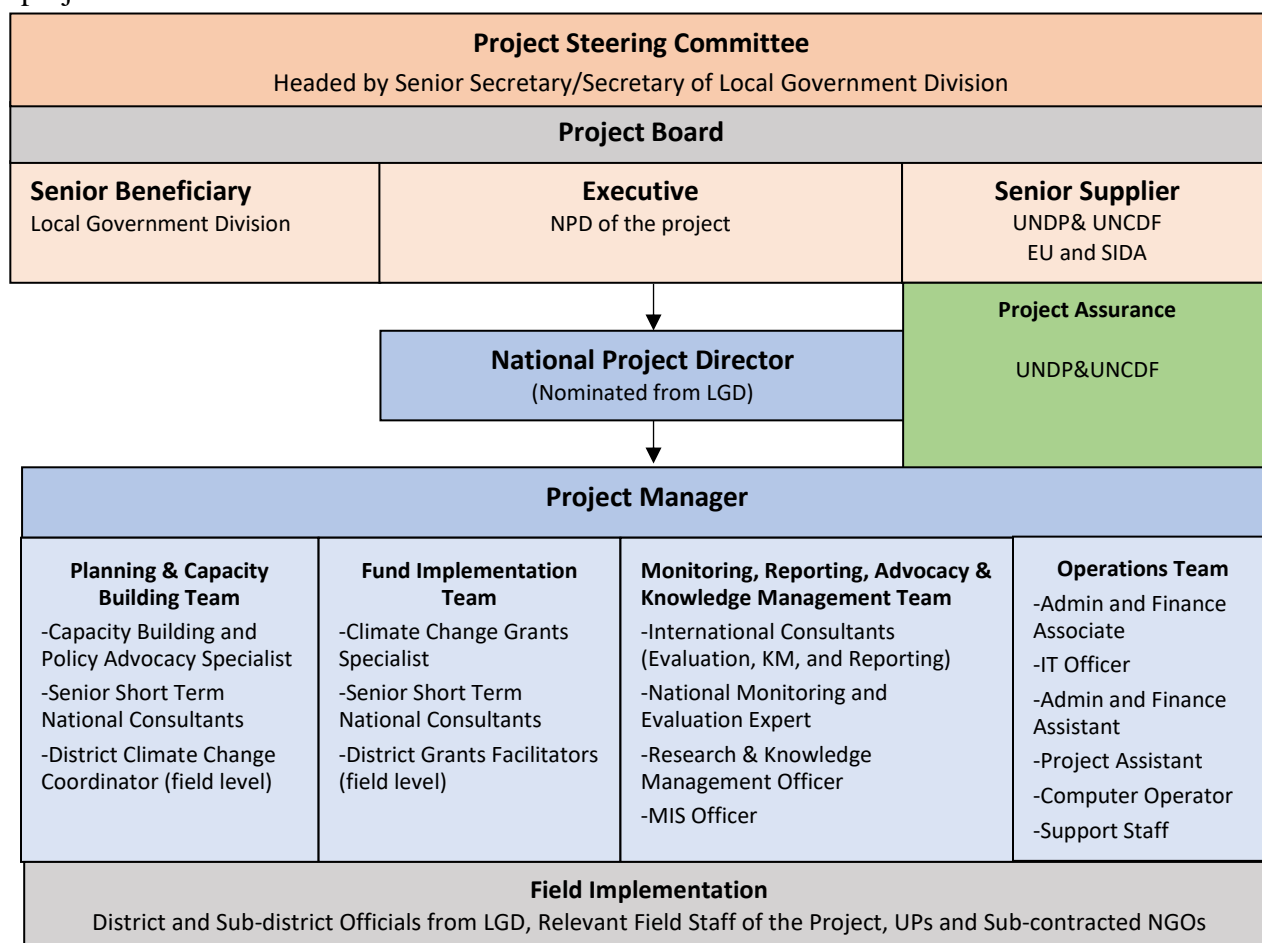
The table below presents a summary of the risks and associated project mitigation measures.

Table 1: Risks and mitigation measures

Risk	Project mitigation measures
Political unrest that may prevent/delay the implementation of the action. (Medium)	<ul style="list-style-type: none"> • This external risk cannot be fully contained at project level. However, impact on local level activities will be mitigated through a comprehensive contingency plan. • The work plan will consider eventual political unrest associated with the planned political processes such as elections. • Risk assessments will be conducted and risk logs maintained and updated regularly by the project.
GoB staff positions related to the project remaining vacant affecting project delivery. Change in LGI political leadership may require additional capacity building and cause delays. (Medium)	<ul style="list-style-type: none"> • Flexibility in providing extra support to newly appointed government and LGI officials. • Maintain flexibility in the budget for catering to the additional capacity building support in case of change in LGI leadership.
Political influence on geographical targeting of the implementation. (Low)	<ul style="list-style-type: none"> • Identification of beneficiary communities based on agreed selection criteria. • Endorsement of targeted communities by all key parties.
Reduction in allocations of development funds at the LGIs level. (Low)	<ul style="list-style-type: none"> • Advocacy at central government level as well as close monitoring of the allocation of resources to local government will be permanently in place.
Improvements in Government Public Financial Management (PFM) processes do not take place to the extent expected, affecting the availability of finance at local levels. (Low)	<ul style="list-style-type: none"> • Existing PFM cycles will be assessed in relation to performance based grants to the local systems, with an emphasis on transparency and accountability mechanisms. • Capacity building will ensure that government officials have the capacity to correctly use government systems and avoid inadvertent misuse of funds. • Independent financial audits will be undertaken to ensure the proper use of resources.

9. Management and Coordination Arrangements

The project will be implemented following UNDP’s National Implementation Modality (NIM), according to the Standard Basic Assistance Agreement between UNDP and the Government of Bangladesh, the Country Programme Action Plan (CPAP), and as policies and procedures outlined in the UNDP POPP (see <https://info.undp.org/global/popp/ppm/Pages/Defining-a-Project.aspx>). The key Implementing organization for this project, Local Government Division of the Ministry of Local Government, Rural Development and Co-operatives. Therefore, LGD is the partner of UNDP and UNCDF in this project and be the Senior Beneficiary for managing the project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources. The management arrangements for this project are summarized below:



9.1 Governance Arrangements

1. The project will be guided by a project steering committee, headed by the Senior Secretary/Secretary of LGD. The other members will be representatives from most relevant ministries and stakeholders that includes Ministry of Environment and Forest, Ministry of Disaster Management and Relief, Ministry of Planning, Ministry of Finance, Eminent Climate Change Scholars, and others nominated by Local Government Division and Development Partners. The project steering committee will sit minimum twice in a year and provide strategic guidance, and adopt and advocate key policy recommendations.
2. The project will be governed as per the guidance of the steering committee by a Project Board. The Board will consist of a group of representatives responsible for making consensus-based strategic and management decisions for the project. The project board should sit once in a quarter and oversee the implementation of the guidance of the steering committee. It will oversee the project implementation; review compliance with GoB and UNDP-UNCDF requirements; and ensure implementation of the management plan for the risks identified. Project Manager, is responsible to provide secretarial support to the Project Board. The Board will be comprised of:
 - An Executive (role represented by Implementing Partner) that holds the project ownership and chairs the Board.
 - Senior Supplier representatives providing guidance regarding the technical feasibility of the project, compliance with development partner requirements, and rules pertaining to use of project resources. This role will be fulfilled by UNDP and UNCDF in its capacity as suppliers of resources from development partners (EU, SIDA); and
 - Two Senior Beneficiary representatives (one from LGD planning wing, one from LGD UP or concerned wing) who ensure the realization of project benefits from the perspective of project beneficiaries.
 - The National Project Director, who is responsible for overall direction, strategic guidance, and timely delivery of project outputs.
 - The NPD will be the chair of the board, who is also a senior official of the Ministry/LGD.

9.2 Management Arrangements

3. Using established practice under NIM, GoB will designate a National Project Director (NPD) who will be a Senior Official from the LGD providing up to 50% of his/her time, is responsible for overall direction, strategic guidance, and timely delivery of project outputs. The LGD will appoint a Project Focal Person from its mid-level officials to assist the NPD in the implementation.
4. UNDP and UNCDF will be responsible to recruit a Project Manager (PM) who will be mainly accountable to NPD and be responsible for day-to-day operations and the management of a team of professionals and technical staff who will be recruited by UNDP and UNCDF to implement the project. NPD of the project will be invited by UNDP-UNCDF to participate in the appropriate stage of recruitment of the PM and staff. In a Matrix management, PM will also be accountable to UNDP and UNCDF for assurance of project quality, standards, fiduciary risks, progress reporting, result reporting and relationship management. This arrangement has

been in place with high degree of effectiveness in approximately 30 of UNDP's ongoing projects in Bangladesh. The PM will implement the project under the guidance of NPD with the support of four purposive teams, as outlined in the organogram. The Technical Support Team will work on (i) development of project and programme standards, (ii) provide technical guidance to the implementation team, (iii) implement policy research, dialogue and advocacy component of the project, and (iv) monitor and report on the social and environmental safeguard plan. The PMU through LGD will deliver reporting, auditing and M&E requirements of the government.

5. UNDP and UNCDF will play Project Assurance Role³⁴. This includes management of funds, project quality assurance through technical support to the project team, fiduciary risk management, timely delivery of financial and project reports to EU, and management of project personnel. Two responsible officers of UNDP and UNCDF will provide 50% of their time dedicated to the project for development partner relationship and reporting, quality monitoring, fiduciary risk management, and relationship management with different government agencies for smooth implementation of the project. UNDP and UNCDF will manage the funds from development partners (EU and SIDA), and will disburse quarterly in advance against agreed work plans, to a project account managed by the PMU.
6. The LGD will enter into specific "letter of agreement" with relevant agencies for the implementation of the project. Procurement which involves constructions, physical work, & public works will be done by the PMU following government's public procurement regulation 2010. All other goods and services (like Human Resource, Consultant, Office Equipment) will be procured by UNDP and UNCDF in accordance with respective procurement policy.

9.3 Field-level execution

At the district and sub-district level, the officials of the LGD and LGI will supervise the implementation of the project supported by project staff. The project will enter into contractual agreements with competent NGOs selected from the UNDP's enlisted pre-qualified entities or through a competitive procurement mechanism in consultation with PMU. The implementation will be done in close collaboration with the local government and district and sub-district level development committee. A coordination mechanism lead by UNO will oversight the project implementation at UP level. This coordination mechanism will facilitate to avoid duplication of the infrastructural work, oversight the quality of the work at UP and community level, and provide guidance for better implementation of the PBCRG and CRF schemes.

9.4 Overview of this UN Joint structure

Participating UN Organizations and Coordination Group- The proposed activities and results are aligned and complementary to other on-going actions³⁵ being carried out in Bangladesh by

34 A MoU will be signed between UNDP and UNCDF clarifying roles and responsibilities of both UN Agencies following standard template.

35 Not supported by EU funds.

UNDP and UNCDF. These include: support to the Planning Commission being provided by the Sustainable and Inclusive Planning Project (SSIP) to mainstream climate change in the planning process; the Inclusive Budgeting and Financing for Climate Resilience (IBFCR) project initiated with the General Economic Division and includes climate issues into Upazila and Union Parishad planning and budgeting. Results from these projects will facilitate/strengthen an enabling environment for the joint project to be more effective and sustainable.

This project will also coordinate and share its learnings/good practices through the Pillar 5 of the current UNDAF priority areas. It may be recalled that under the Pillar 5, the UN system aims to promote integration of interventions within the DRR frameworks, capacity development of the GoB, supporting community-based approaches, better coordination of UN systems projects/programmes and other DPs and working towards a strong public-private partnership.

The Local Consultative Group³⁶ (LCG)'s Working Group on Environment is also actively engaged in coordination and knowledge sharing. In 2013, the group endorsed the 'common platform' approach for capacity building on climate change aiming to deliver against those objectives. Climate Financing is identified as one of the functions that call for capacity development. Therefore, this proposed joint project which falls well within the broad framework of the working group and will share its experiences with this forum. The PMU will play a catalytic role to ensure coordination of policies and complementarity of results.

Administrative Agent- UNDP is the lead organization for this action and Administrative Agent for Sida contribution of this Joint Project. UNDP's accountability as the Administrative Agent for Sida Contribution is set out in the policy "UNDP's Accountability when acting as Administrative Agent in MDTFs and/or UN National Programmes using the pass-through fund management modality". The responsibilities include: consolidation of statements and reports, based on submission by each partners and provide these to development partner; providing final reporting; disbursement of funds to any participating agency for any additional costs of the task that the Steering Committee may decide to allocate etc.

Project Steering Committee-

A Project Steering Committee (PSC) will be formed to appraise and approve the project's key documents, including annual plans, budgets and semi-annual and annual reports, to ensure the delivery of the intended results and address critical issues and risks that cannot be addressed by the Implementing Partners alone. The Senior Secretary/Secretary of Local Government Division of the Ministry of Local Government Rural Development and Cooperatives will assume the role of the Chair. The National Project Director will act as the Member Secretary of the Project Steering Committee. The project steering committee will also include the two partnering UN agencies, the development partners and representatives from relevant GoB ministries/agencies.

³⁶Members include representatives from different government ministries, bilateral and multilateral Development partners, academicians and UN agencies. It aims at ensuring a collective vision and approach on capacity building on climate change in Bangladesh to promote maximum effectiveness, efficiency, and added value.

Project Board:

The Board can also include additional membership including representatives from relevant GoB ministries, and reputed national climate change experts. The Board will meet once in each quarter upon the initiative of the PMU.

It will be responsible for management of implementation of the project activities. The Project Board will be responsible for preparing and endorsing the quarterly work plan, quarterly progress report, annual work plan and annual progress report. It will supervise the overall project implementation and day-to-day management of the project. It will meet at least quarterly in the first year and no less than thrice a year for the rest of the project's life time. The Project Board will be chaired by the NPD (not below the rank of Joint Secretary) and his/her responsibilities will be as per NIM/NEX Manual. If required, the PB may invite Project Technical Specialists to help brief on relevant issues.

Project Management Unit-

A Project Management Unit (PMU) will be established to carry out management, technical and operational support functions for day-to-day management, coordination, monitoring and reporting exercise. The PMU will be headed by the National Project Director (NPD), based within the Project Unit. This arrangement will facilitate the capacity transfer between the PMU and the implementing partners. Furthermore, the PMU will be responsible for the development and implementation of work plans and budgets (in close collaboration with UNDP and UNCDF) and the organization of project steering committee and project board meetings and implementation of the decisions thereof. The PMU will also be responsible for maintaining transparent, up-to-date and accessible records of the project. Key staff members of the PMU will include a Project Manager, Technical Specialist/Consultants, Communications Officer, Administration and Finance Officers. All project staff will be jointly/co-funded by both UNDP and UNCDF. As the lead agency/Administrative Agent (AA), UNDP will support the establishment and operation of the PMU in favour of UNCDF as well.

10. Fund Management Arrangements

The proposed project, is a joint initiative of UNDP and UNCDF, and will follow the Joint project/programme mechanism as per UN guidelines. Following the fund management options for joint projects/programmes, this project will follow the pass through modality and other recommended structure for the joint project/programme management.

EU will sign one Delegation Agreement with UNDP and UNCDF as co-delegates. Sida will sign an agreement with UNDP as Administrative Agent. A LoE will be signed between UNDP and UNCDF for EU and SIDA resource sharing. An approved Project Document with GoB will be the basis of legal agreement between UNDP and GoB. UNDP will act as the Administrative Agent (AA) and will enter into the contribution agreements with Sida. It will also allocate one percent (1%) for its costs of performing the AA's function. The Administrative Agent will ensure consistency of the approved Joint Project with the applicable provisions of the Standard Administrative Arrangements (SAA) entered between development partners and the

Administrative Agent, and the MOU between the Participating UN Organizations and the Administrative Agent.

Transfer of cash to National Implementing Partners:

The project will apply the [Harmonized Approach to Cash Transfers](#) (HACT) for transfer of cash to Implementing Partner.

All procurements and disbursements by the Participating national organisation are approved by the NPD, thereby assuring coordination and ensuring national accountability. In outline, the Participating UN Organizations' rules and procedures are as follows:

UNDP

UNDP will use the Harmonized Approach to Cash Transfer (HACT), under which the Implementing Partner (IP) will be accountable for: managing UNDP resources to achieve the expected results specified in the project document, in accordance with the principles of the Financial Regulations and Rules of UNDP; maintaining up-to-date accounting system to ensure accuracy and reliability of financial reporting; and sending expenditure reports on a quarterly based (or more frequently as appropriate) to UNDP. For those activities and outputs for which the Government of Bangladesh requests UNDP to take responsibility, the Government of Bangladesh and UNDP will sign a Letter of Agreement for the Provision of Support Services under NIM/NEX. For those Outputs indicated in the Results Framework, UNDP will receive funds and based on the approved annual work plan provides the required financial resources to the Implementing Partners, under the NIM modality, to carry out project activities during the annual cycle.

Cash transfer to the national implementing partners will be made in two ways by the PMU: a) for all initiatives for capacity building, the PMU will initiate a contractual arrangement with specialised training institutes of the government or private entities including NGOs. Once such contracts are made, the training institutes may provide support to the LGIs in selected geographical areas; b) in a second modality, the PMU will channelize funds (UNDP NEX Advance) to the LGD against the Annual Work Plan. The LGD then will disburse the fund to the designated LGIs for direct implementation of both infrastructure as well as the household loan schemes. However, the later can be processed by the LGIs directly or through local NGOs.

UNDP will be the key responsible agency for transferring the CRF to vulnerable households and communities in local areas. UNDP will transfer the cash direct to individual accounts in trances based on the approved list of household's plan and fund by the national project director. Annex 2 has illustrated the detail mechanism of the CRF operation. UNDP will sign a MoU with UNCDF on fund transfer modality following standard MPTF Framework.

UNCDF

The grant making to target Union Parishads with regard to building climate change resilience is envisaged to take place through three stages. First, the LoGIC will propose formula based entitlements for addressing climate change for target UPs, taking into account carefully selected characteristics of Union Parishads, such as population, area, revenue base and climate change vulnerability; it will build on the experience of LoCAL, UPGP and LGSP II. Second, the

performance of the target Union Parishads will be assessed through structured performance assessment on key indicators that are critical to the results targeted by LoGIC such as compliance with mandatory functions, climate change responsive development planning, efficient implementation of planned activities, and increased mobilization of own resources. Third, the grant entitlements will be weighted by relative performance, whereby the better performing will be able to receive an allocation which is greater than the initial entitlement, while the Union Parishads that perform relatively worse, will receive smaller allocation or no allocation at all. It is envisaged that the performance incentive of around 30% of the block grants will provide sufficient motivation to the Union Parishads that succeed in securing LoGIC grants to improve performance in areas related to climate change resilience.

PBCRG fund will be disbursed to the treasury of Bangladesh Bank in favour of project bank account of Local Government Division (LGD). LGD will disburse the funds as per performance-based allocation to each UP in their respective account. As part of its corporate modality, UNCDF will sign a separate Memorandum of Understanding (MoU) and country framework document with Local Government Division to operate the PBCRG funds under its global project Local Climate Adaptive Living (LoCAL).

Direct and Support Costs

Any direct technical assistance provided by a Participating UN Organization must be approved by the Project Steering Committee on an annual basis and by the National Project Director on a quarterly basis.

Procurement

Annual and quarterly work plans will identify responsible partners for procurements. As a general rule, under the project's national implementation arrangement (NIM), the Government guidelines will be applied for competitive procurement of goods and services, such as advertising, tender bidding, evaluation and approval; they will also be in line with international standards for all project-related activities. Procurement of items will be done by Implementing Partner using its own procedures and systems.

In exceptional cases, based on a specific request of the Implementing Partner, the Participating UN Organizations in line with their procurement policy may provide procurement and recruitment services to the Implementing Partner including:

- a) Identification and recruitment of project personnel
- b) Identification and facilitation of training activities
- c) Procurement of goods and services

It will be the responsibility of the beneficiary line ministry or government institution to ensure the settlement of all duties/taxes/levies/VAT on imported goods and services at the point of clearing from Bangladesh Customs as well as all VAT and other statutory levies applicable and payable on local procurement of goods and services. The Implementing Partner bear no responsibility whatsoever in the settlement of Government of Bangladesh duties/taxes Implementing Partner will be audited periodically as per the annual audit plan prepared by the government coordinating /levies/VAT on all imported and local procurement of goods and services.

11. Monitoring, Evaluation and Reporting

Monitoring: The content of Table 4 “Joint Project Monitoring Framework (JPMF)” summarizes monitoring arrangements for the joint project, including monitoring activities that the participating UN organizations and/or national partners will undertake (such as baseline collection, reviews or studies if necessary to measure effect/impact, field visits, evaluation etc.), the timing of such activities and the respective responsibilities.

The Table 4 is consistent with the UNDAF and Country Programme Document (CPD) and an integral part of the broader UNDAF M&E Framework. A tentative monitoring framework is proposed below which will be finalised along with the Annual Work Plan (AWP) by all stakeholders.

Table 4: Joint Project Monitoring Framework (JPMF)

Expected Results	Indicators (with baselines, Targets* & indicative timeframe)	Means of verification	Collection methods (with indicative time frame & frequency)	Responsibilities	Risks & assumptions
<p>Outcome</p> <p>Improved and inclusive local level planning and a strengthened financing mechanism for community based climate change adaptation solutions through local governments.</p>	<ul style="list-style-type: none"> • % of target UPs that have incorporated climate change adaptation into their development plans (LDP). <p><i>Baseline- TBD (baseline survey)</i></p> <p><i>Target-At least 80% by end of project.</i></p> <ul style="list-style-type: none"> • % of target UP plans that have addressed the adaptation needs and priorities of vulnerable women and girls. <p><i>Baseline- TBD (baseline survey)</i></p> <p><i>Target:At least 50% by end of project.</i></p> <ul style="list-style-type: none"> • % of UP that have established and are implementing the Climate Resilience Financing system <p><i>Baseline- Plans not existing</i></p>	<p>Longitudinal study report and Final Evaluation Report.</p> <p>CRA Reports</p> <p>Climate Inclusive LDPs</p> <p>Annual Plans and Five Year Plan of UPs.</p> <p>Annual Plans</p>			<p>Continued commitment to current decentralization and fiscal transfer policies</p> <p>Social norms will not prevent women from participating in public planning events</p> <p>No major political instability</p>

	<p><i>Target: At least 80% by end of project.</i></p> <ul style="list-style-type: none"> • % of target UPs that are allocating other resources to implementing CCA linked schemes. <p><i>Baseline- TBD (baseline survey)</i> <i>Target: At least 20% increase by end of project.</i></p>	Annual Budgets			
<p>Output 1</p> <p>Strengthened capacity of local governments, households and other local stakeholders to develop local plans that integrate climate change adaptation measures and disaster risk management</p>	<ul style="list-style-type: none"> • % of women, poor and marginalized people that participate in the formulation of climate risk integrated LDPs <p><i>Baseline- TBD (baseline survey)</i> <i>Target: At least 50% increase on baseline by end of project</i></p> <p>% of target UPs that integrate CCA solutions into LDPs to support the most vulnerable households.</p> <p><i>Baseline- TBD (baseline survey)</i> <i>(Not assessed yet but there may be some local actions by LGIs)</i></p>	<p>Meeting records</p> <p>Gender Analysis report</p> <p>Periodic survey</p> <p>CRA Reports</p> <p>Business as Usual LDPs</p> <p>Climate inclusive LDPs</p> <p>Climate Change, Gender, Social and Environmental Screening Reports</p> <p>HH-RRAPs</p>			<p>No major displacement of the population</p> <p>Staff change in the LGI and local GoB officials is limited.</p>

	<i>Target: 90% of target LGIs by end of project</i>				
Output2					
Established financing mechanism to fund local governments and communities for implementing climate change adaptation measures	<ul style="list-style-type: none"> • % of target vulnerable households who benefit from CCA finance <p><i>Baseline- 10% (national average)</i> <i>Target: At least 60% of target households by end of project</i></p> <ul style="list-style-type: none"> • % of target UPs that secure funding to support CCA linked schemes based on their performance <p><i>Baseline- 0%</i> <i>Target:80% of target UPs by end of project</i></p> <ul style="list-style-type: none"> • % of Open Budget sessions in target UPs that discussed CCA linked expenditure <p><i>Baseline- 0%</i> <i>Target:90% of Open Budget sessions</i></p>	<p>Report of annual longitudinal study</p> <p>PBCRG allocation formula source</p> <p>System for Performance Assessment and annual assessment carried out by independent assessors</p> <p>Participatory performance assessments (Social Audits) of grant operations and results</p>			<p>Staff changes in the LGI and local GoB officials are limited</p> <p>Continued commitment to current decentralization and fiscal transfer policies</p>
Output 3					
Experience and evidence inform and contribute to further improvements in	<ul style="list-style-type: none"> • The extent to which National Adaptation Plan (NAP) and 7th Five Year Plan (7FYP) 	National Adaptation Plan (NAP)			Continued commitment to current decentralization and fiscal transfer policies

<p>policies and practices for UPs and national systems in relation to climate change adaptation.</p>	<p>integrate financing for local adaptation</p> <p><i>Baseline- NAP process yet to start. 7FYP is in preparation.</i></p> <ul style="list-style-type: none"> • The extent to which local climate fiscal framework is integrated into the national Climate Fiscal Framework <p><i>Baseline- Not integrated</i></p> <p><i>Target: Integrated (to be measured based on a qualitative assessment through a rating system)</i></p>	<p>Mid Term Review of 7FYP</p> <p>Climate Fiscal Framework</p> <p>GCF's Country Programme Framework</p> <p>Qualitative Assessment</p>			
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Annual/Regular reviews:

UNDP with the support from PMU is responsible to development partners to provide narrative reports on results achieved, lessons learned and the contributions made by the project to funding partners. The narrative reports will be developed by the PMU and be reviewed and cleared by UNDP and UNCDF prior to sending to funding partners. PMU will also develop narrative and progress reports required by different government agencies under the rules of the Government of Bangladesh. While a monitoring plan will be framed on yearly basis elaborating on the roles and responsibilities, timings and methodologies to be followed, it will include monitoring missions and their timings, as well as other periodic reports as part of requirements. The information will be consolidated by the PMU into a monitoring report and be annexed with the narrative report every six months and submitted to the PSC.

UNDP and UNCDF will provide regular updates on the financial status of the expenditure to the PSCs for review and action as appropriate. UNDP and UNCDF will be audited in accordance with their own Financial Regulations and Rules. UNDP and UNCDF will prepare certified annual and final financial reports furnishing them to the development partner in accordance with the time table and following the UN approved harmonised budget categories: 1. Staff and other personnel cost; 2. Supplies, commodities, materials; 3. Equipment, vehicles and furniture, including depreciation; 4. Contractual services; 5. Travel; 6. Transfers and grants counterparts; 7. General operating and other direct costs; and 8. Indirect support costs. Monitoring will essentially be linked with evaluation with the objective of collecting data towards reaching the targets.

Evaluation:

Evaluations of this Joint project are essential component aimed at assessing the relevance of the objectives as well as the efficiency, effectiveness and sustainability of the Joint project. Evaluation will be undertaken in accordance with the guidance from United National Evaluation Group (UNEG). A joint evaluation of the project, involving evaluation units of all concerned organisations, will be a preferred option. The following are planned as part of the regular features:

- Mid-term evaluation; including gender assessment
- Final evaluation, at the beginning of the closing phase; including gender assessment and
- An ex-post evaluation including gender assessment (depending on funding availability)

All these will be conducted by external experts.

The development partners, including EU and Sida can take part in the monitoring mission as well as can periodically assess project progress by its staff or through independent consultants. Additionally, independent consultants recruited directly by the development partner (or the responsible body to which the monitoring task may be delegated) on specifically established terms of reference may carry out external monitoring (i.e. ROM system), which in principle will start from the sixth month of project activities, and will be finalized at the latest 6 months before the end of the operational implementation phase.

The project-related evaluations will be undertaken in accordance with Financial Agreement signed with UNDP and UNCDF by the development partners. The UN Organizations (UNDP-UNCDF)

and the development partners will analyse the conclusions and recommendations of the mid-term evaluation and jointly decide on the follow-up actions to be taken and any adjustments necessary including, if justifiable, the reorientation of the project. The reports of the other evaluation and monitoring missions will be given to the Beneficiary in order to take into account any recommendations that may result from such missions. However, the development partners may also carry out external evaluations and in such cases the development partners will inform the UNDP and UNCDF at least 30 days in advance of the dates foreseen for the monitoring and/or evaluation missions. The Beneficiary is obliged to collaborate efficiently and effectively with the monitoring and/or evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

Reporting: A common reporting format will be adopted by LGD, UNDP and UNCDF³⁷. All reports are to be developed by the PMU in consultation with UNDP and UNCDF and submitted to the Project Board and Project Steering Committee as reporting line. PMU will synthesize as well as analyse the information for further action through the Project Board andPSC. The information from the reports will be tallied against the UNDAF results framework and reporting modalities.

12. Legal Context or Basis of Relationship

This section specifies what cooperation or assistance agreements³⁸ form the legal basis for the relationships between the Government and UNDP & UNCDF in this joint project.

The text specific to UNDP and UNCDF in Table 5 provides illustrative examples on UNDP and UNCDF’s cooperation arrangements.

Table 5: Basis of Relationship (illustrative examples)

Participating organization	UN	Agreement
UNDP		This Joint Project Document shall be the instrument referred to as the Project Document in Article I of the Standard Basic Assistance Agreement (SBAA) between the Government of Bangladesh and the United Nations Development Programme, signed by the parties on [DATE].
UNCDF		Signed Prodoc

The Implementing Partners/Executing Agency³⁹ agree to undertake all reasonable efforts to ensure that none of the funds received pursuant to this Joint Project are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided

³⁷ The [Standard Progress Report](#) used by the ExCom agencies or any other reporting format used by any other UN organization may be adapted for the purpose. Development partner requirements should also be kept in mind. The reporting format should be approved by the joint project/programme steering committee.

³⁸ Such as: the Basic Cooperation Agreement for UNICEF; Standard Basic Assistance Agreement for UNDP, which also applies to UNFPA; the Basic Agreement for WFP; as well as the Country Programme Action Plan(s) where they exist; and other applicable agreements for other participating UN organizations.

³⁹ Executing Agency in case of UNDP in countries with no signed Country Programme Action Plans.

by Participating UN organizations do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>.

The UN system with its commitment to the Millennium Development Goals, Sustainable Development Goals and to Aid Effectiveness (Paris Declaration, Accra Agreement, and Addis Accord) has been responding to the needs of Bangladesh for the past 40 years. In this context, UNDP and UNCDF brought together their comparative advantages that create an added-value based partnership to pioneering ways to address climate change and local governance issues in Bangladesh.

UNDP and UNCDF will sign a Memorandum of Understanding (MOU) to implement the Joint Project entitled “Local Government Initiative on Climate change (LoGIC)”. The current project strategy runs for 48 months beginning end of 2015.

For UNDP, this project document is pursuant to the current UNDAF and the Standard Basic Assistance Agreement (SBAA) it signed with the Government of Bangladesh. All provisions in the SBAA therefore apply to this document. Consistent with Article III of the SBAA, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, will rest with the implementing partner.

The proposed intervention brings together a recognized core mandate *of UNDP* for Capacity Development and policy advocacy. UNDP counts with a full blown multi-sector approach with a particular strength in climate change and Poverty Reduction. A consolidated country presence allows for a solid delivery arm within the NIM (National Implementation Modality) agreed with the GoB for enhanced levels of ownership and accountability. The comparative strength of UNDP builds on:

- A strong development partner coordination role
- A strong and dynamic community of practitioners
- Activities in more than 90 countries with considerable potential for south-south learning co-operation
- Flexibility *in* support, with focus on local needs
- Close co-operation with UNCDF in working with the more than 20 least-developed countries (LDCs), presenting a strong foundation for linking poverty reduction with natural resource management.

On the other hand, for **UNCDF**, the signed project document shall be the legal basis of UNCDF’s relation with the Government of Bangladesh within the context of UNCDF’s global project *Local Climate Adaptive Living* (LoCAL) country framework document, which is in line with its position as a non-resident agency and global mandate for technical cooperation and capacity building. UNCDF’s Local Development practice area, has 15 years’ experience of supporting local government finance in Asian LDCs. The specialized agency will be put to the service of building climate resilience infrastructures, climate change adaptation and mitigation measures by providing an added-value generating combination of capital, technical assistance and advocacy directly to local authorities. UNCDF, given its specific capital investment mandate, will ensure the delivery

of performance based climate resilience grant (PBCRG) transfers for Local Government Institutions (UPs) through a separate MoU to be signed with Local Government Division (LGD). UNCDF will also take lead responsibility on fiscal decentralization aspects related to performance based grant systems, UP budgeting, UP own revenue mobilization, public financial management, local investment programming, local procurement and policy promotion related to these areas.

13. Inception phase:

The inception phase will be 6 months and an inception report will be submitted within that timeframe to the development partners for approval. The terms of reference for the inception phase and the report will be based on UNDP's standard template for programme inceptions and will be subject to development partners' approval. Among other things, the report will contain an updated results and monitoring framework with gender inclusive indicators, baselines for indicators, a detail budget corresponding to the project outcomes and a gender action plan. During the inception phase, the project will do preparatory works before embarking on full implementation. Inception is essential for setting the ground, bringing all relevant stakeholders on board and developing necessary methodologies and procedures. Inception will focus on following key areas:

- (a) Hiring of manpower and setting up of offices
- (b) Developing operation manuals and methodologies
- (c) Designing operational criteria and monitoring tools
- (d) Identifying and engaging with relevant institutions
- (e) Finalizing Project's M&E and Results Framework.

Following activities will be done during inception phase:

- Advertisement and hiring of project staff.
- Office set up and procurement of equipment.
- Designing operations manual for CRF (grants), including types of actions and detail criteria for household selection.
- Designing operations manual for PBCRG fund including criteria for selecting schemes and union parishads.
- Baseline of the Project
- Development of Adaptation Tracking and Measuring (ATM) Mechanism of the Project
- Climate Change, Gender, Social and Environmental Screening Tools of LDP
- Revise the Community Risk Assessment Guideline for Climate Inclusive Local Development Plan
- Identifying NGOs for sub-contracting CRA process, Household level Planning and monitoring and facilitate social audit at community level.
- Identify NGOs/training institutions/entities for capacity facilitation support to project's targeted beneficiaries on local development planning (LDP).
- Developing criteria and methodology for identifying most relevant local institutions and CSOs at local level, which will be incorporated in the project implementation manual and approved by the PSC.

- Designing overall monitoring and evaluation framework of the project (Result and Resource framework-RRF) including gender and cross-cutting indicators.
- Identifying independent external actors for performance evaluation for PBCRG and CRG funds.
- MoU between UNDP and UNCDF on resource sharing.
- MoU between UNCDF and Local Government Division for PBCRG operation.
- Inception workshop.

14. Work plans and budgets

The work plans will be developed at the inception phase of the project, which will detail the activities to be carried out within the joint project and the responsible implementing partners, timeframes and planned inputs from the participating UN organizations. The basis for all resource transfers to an implementing partner will be detailed in the work plans, agreed between the implementing partners and participating UN organizations. According to the Harmonized Approach to Cash Transfers (HACT), the work plan will be signed by the implementing partners receiving cash (except sub-contracted NGO/local institutions). In case the implementation authority is delegated to a national/sub-national institution, the respective institution should be specified in the AWP. When sub-contracting with NGOs, the participating UN organizations sign legal instruments in accordance with their procedures. Any additional management arrangements that may be set up by participating UN organizations to achieve results under their respective responsibility may be detailed in annexes as needed.

A revised work plan and budget will be produced subsequent to the decisions of the annual/regular reviews. Annual work plan will be approved in writing by the Project Steering Committee. The joint project document need not be signed after each periodic review as long as there is written approval of it by all partners at, or following the annual/regular review. However, any substantive change in the joint project scope or change in financial allocations will require revision of the joint project document and signature of all parties involved.

The work plan will be developed in the inception phase based on following template in section 15.1

15.1 Work Plan

Work Plan for Local Government Initiative on Climate change (LoGIC) Project)
Period (Covered by the WP) ⁴⁰ ___ Not prepared as yet

JP Outcome					
		Activities	TIME FRAME		PLANNED BUDGET

⁴⁰Annual Work plans cover not more than a 12-month period. However, usually at the start-up of the project, these may cover less than one year. In both cases, the corresponding period should be specified.

UN organization-specific Annual targets	UN organization		Q1	Q2	Q3	Q4	Implementing Partner	Source of Funds	Budget Description	Amount
JP Output 1:										
(of UN organization 1)										
(of UN organization 2)										
(of UN organization 3)										
JP Output 2:										
(of UN organization 1)										
(of UN organization 2)										
Total Planned Budget										
Including*	Total UN organization 1									
	Total UN organization 2									
	Total UN organization 3									

* The Total Planned Budget by UN Organization should include both project cost and indirect support cost

15.2 Budget of the Project (Output wise, Multi Year)

Results/Outputs	Total in USD	Year 1	Year 2	Year 3	Year 4
Result 1- Strengthened capacity	3,124,167	781,822	1,250,915	781,822	309,608
Result 2.1 - Local Government Performance Based Grants (PBCRG)	6,208,949	1,241,790	1,862,685	1,862,685	1,241,789
Result 2.2 – Communities adaptation actions financing (CRF)	7,040,866	704,086.64	2,816,347	2,816,347	704,085
Result 3 - improved policy and practices	1,091,771	272,943	272,943	327,531	218,354
Visibility and GCCA knowledge management	272,800	54,560	109,120	54,560	54,560
Evaluation	211,977	0	84,791	0	127,186
General Management Service (GMS)	1,320,224	329,276	329,276	395,131	266,541
Grand total	19,270,754	3,384,478	6,726,077	6,238,076	2,922,123

Annex 01: Technical note on UP PBCRG for Local Government Initiative on Climate change (LoGIC)

The positive impact of performance based grants to trigger actions by local governments and produce targeted development results over the last two decades has provided the technical framework to design Performance Based Climate Resilience Grants (PBCRG), being piloted through the LoCAL pilot in Bangladesh. Alongside, the role of performance based grants delivered by UPGP to 564 Union Parishads across 7 targeted districts of Bangladesh has been recognized by the Mid Term Evaluation of the UPGP for its positive impact on MDG oriented development expenditure and results. The LoGIC envisages the use of PBCRGs as part of the portfolio of activities that will be implemented to achieve the core objectives of the project, in carefully selected climate change vulnerable Union Parishads in Bangladesh.

The PBCRG to selected climate change vulnerable UPs will complement the grant resources that are provided by the Government of Bangladesh through their annual grants to all Union Parishads, as well as performance based grants from other projects supporting these UPs. In other words, the PBCRG grants will top up the other grants received by Union Parishads for development expenditure, and act as additional earmarked grants to support expenditure that will improve the climate change responsiveness of public goods in which the Union Parishad makes investments. This approach, where the PBCRG grants complement and augment expenditures by Union Parishads, ensures that priorities of the PBCRG are mainstreamed into the development plans and investments being made by Union Parishads.

The grant making to target Union Parishads with regard to building climate change resilience is envisaged to take place through three stages. First, the LoGIC will propose formula based entitlements for addressing climate change for target UPs, taking into account carefully selected characteristics of Union Parishads, such as population, area, revenue base and climate change vulnerability; it will build on the experience of LoCAL, UPGP and LGSP II. Second, the performance of the target Union Parishads will be assessed through structured performance assessment on key indicators that are critical to the results targeted by LoGIC such as compliance with mandatory functions, climate change responsive development planning, efficient implementation of planned activities, and increased mobilization of own resources. Third, the grant entitlements will be weighted by relative performance, whereby the better performing will be able to receive an allocation which is greater than the initial entitlement, while the Union Parishads that perform relatively worse, will receive smaller allocation or no allocation at all. It is envisaged that the performance incentive of around 30% of the block grants will provide sufficient motivation to the Union Parishads that succeed in securing LoGIC grants to improve performance in areas related to climate change resilience.

The major variation envisaged in relation to the performance based grants by LoGIC is with regard to the entitlement formula and the additional climate change related indicators used in the performance assessment. The basic entitlement formula will be revised to address the extent of climate change vulnerability of the Union Parishad. The performance indicators will be modified to address actions and achievements in relation to climate change responsive action by the target Union Parishads.

The design of the PBCRG will be well aligned to the mechanisms established for grant making, so as to avoid significant additional steps or reporting, during the planning, performance assessment and reporting stages. The technical tools that will be used in relation to building climate change resilience at the Union Parishads and implementing the PBCRG will draw on the work carried out in sister projects implemented jointly by UNCDF & UNDP to address climate change at the Union Parishad level in Bangladesh.

Fund will be disbursed to the treasury of Bangladesh Bank in favour of project bank account of Local Government Division (LGD). LGD will disburse the funds as per performance-based allocation to each UP in their respective account.

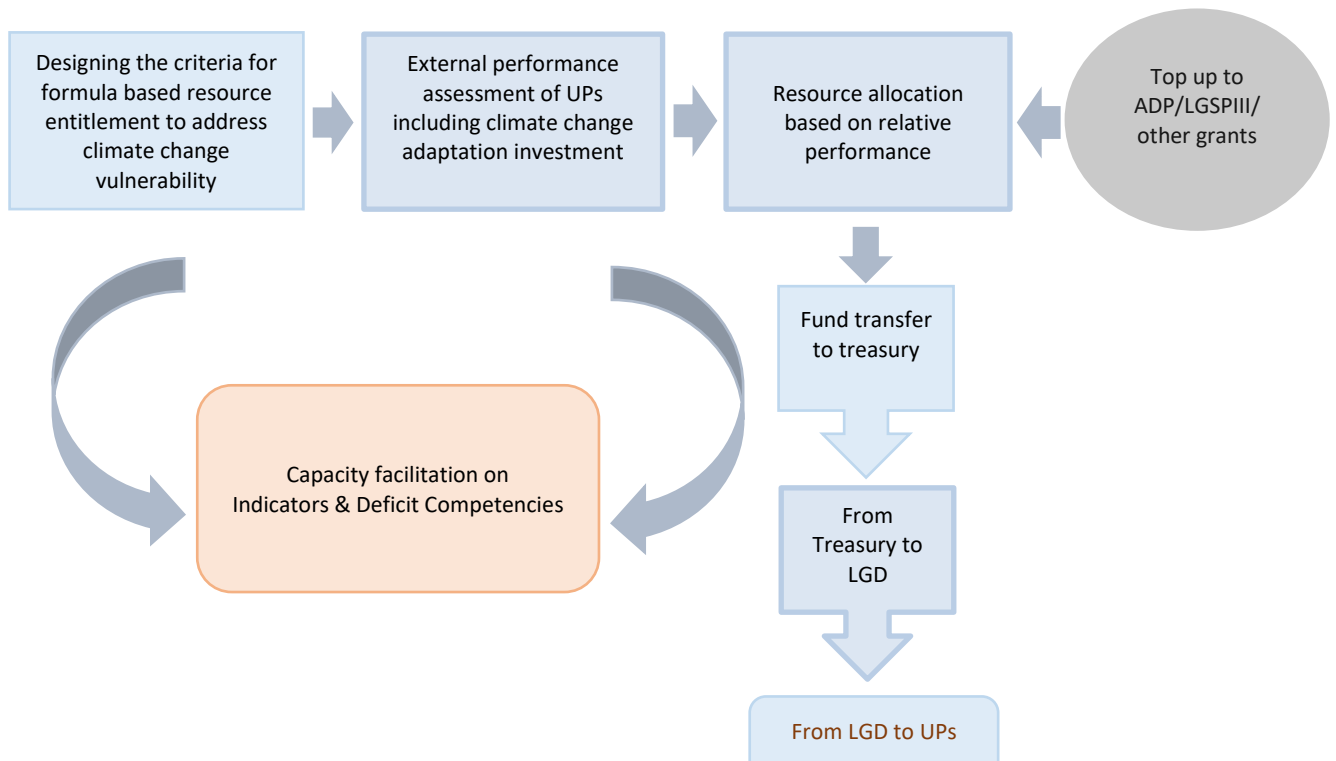


Figure 2: PBCRG Mechanism

Fiduciary risk management:

- (a) **Pre-audit:** Minimum condition for receiving PBCRG by any Union Parishad is unqualified audit by external audit firm. This will ensure clean financial management before disbursement of grants.
- (b) **Expenditure tracking by concerned UP committee:** After PBCRG will be disbursed, the mandated UP committee will monitor expenditure as per UP operation manual, and carry out scheme monitoring.
- (c) **Transparency and disclosure of plans and budgets:** Planned expenditures will be shared at open Budget Meetings with the community and internally with the Standing Committees, to allow for scrutiny.
- (d) **Accounting software:** The accounting software developed by UPGP Project for financial management of union parishads will be installed in LOGIC project UPs.
- (e) **Capacity facilitation:** Financial management capacity facilitation will be provided to UPs to ensure quality accounting and financial management of PBCRG. This will be additional to regular financial management training the UPs receive. In this activity, advance notification will be provided to UPs about post-expenditure audit.
- (f) **Independent expenditure tracking:** External organizations will be contracted out for independent expenditure tracking to integrate local public accountability.
- (g) **Implementation supervision by DDLG/UNO/DC:** Key government official like DDLG, UNO and DC will monitor implementation of schemes supported by PBCRG.
- (h) **Implementation monitoring by project’s field staff:** Project appointed field staff will monitor implementation of schemes to ensure quality.
- (i) **Post audit:** Post-expenditure audit will be done by external auditors to identify potential irregularities. This will be notified during disbursement and capacity facilitation.

Annex 2: Community Resilience Fund (CRF): Programmatic and Operational Aspects

1. Summary

One of the central issue is for what purpose and how the community resiliencefund (CRF) will be channelled to the most vulnerable beneficiary HHs. In the project, CRF (small grants) will be primarily used for promoting resilient livelihoods of most vulnerable preferably to women and adolescent girls of the vulnerable households and channelled through electronic cash transfer mechanism (through Agent Banking) to the beneficiary households against their unique personal and mobile phone identity. This mechanism has been widely used by humanitarian community and the UN agencies in Bangladesh with significant cost efficiency and security. The company utilised for such transfer will be selected from market. This is also important to note that the households will be selected against established criteria by civil society organisations and local government under the supervision of project staff.

Another important issue is who will assess the efficacy of HH level adaptation activities and how. The strategy of the project is very critical in this respect. The project will set up a real-time monitoring and evaluation mechanism to assess its efficiency and effectiveness. An independent organisation to manage the function is the most important part of the process together with community managed social auditing. The project will maintain an MIS which will enable the management team to review various approach based on evidence of effectiveness and shortcomings.

2. Adaptive Livelihoods

In Bangladesh, poor households in rural areas typically have a “portfolio of work” rather than a “job”. Commonly, each member earns income from many sources, from agriculture to casual labor to petty trade and formal work, in part because it mitigates the risk and seasonality inherent in any one source, and because it is often not possible to sustain sufficient income from a single occupation.

In this context, one way to increase work and incomes is to improve portfolios of work rather than “create jobs”. The question we focus on is how to help poor people raise their productivity in their current occupations, and how to help them access new occupations that offer higher earnings facing the challenge of climate change, disasters and changes in ecosystem. Traditional job creation is still important since, ultimately, the end of poverty will come from having lots of small, medium, and large firms to sustain employment on a large scale. But this project is not about the policies or conditions that might bring about that kind of long term structural change. Rather we focus on programmes and policies that can be immediately implemented, and can show results, in the space of a few years.

The evidence shows that improving poor people’s portfolios of work can be done on a large scale, cost-effectively. For the most part, the tools available are a mix of safety net programmes, such as public workfare, and “supply-side” interventions that try to give people and firms something they need, such as capital or skills, to raise their incomes.

Across regions and districts within Bangladesh, challenges, and classes of people, the evidence sends a clear message: many of the poor have high returns to capital. The poor seem to be held back by too little capital and an absence of cheap credit. When programmes give capital to the poor—be it cash, tools or livestock, to small business owners, unemployed youth or ultra-poor women—we tend to see similar results: poor people expand the number and size of their businesses, and increase the profitability of work in their portfolio. This is true even in some fragile districts, especially in the aftermath of natural disasters.

“Capital-centric” interventions have the most promise, but tend to be the exception rather than the rule. Start-up grants, cash infusions, in-kind capital transfers, and other so called “hand-outs” have an impressive record of increasing poor people’s long run earning potential—the very opposite of the “dependency syndrome” some fear. The impacts may be especially high after natural disasters and political crises. Currently few of the studied programmes provide capital alone, so some of their success may be due in part to other programme components, from supervision to training. But being what we call capital-centric seems to be critical to these programmes’ success.

However important capital might be, the answer is probably not “more microfinance”. Most microfinance is still very expensive for the borrower and has short repayment periods. Because of this, it is a poor vehicle for investments in farming or business, which require longer incubation and less costly capital. Thus it should come as little surprise that field experiments in several countries finds almost no effect of microfinance on profits or poverty. Conditional or purposive grants for extreme poor, lower interest rates along with more flexible repayment terms for poor could improve matters.

Workfare and other social safety net programmes have promise in fragile conditions, but there is shamefully little evidence on their impacts. For all the money that is spent on these programmes, it is shocking how little they have been studied. These could be the best (perhaps only) option for creating work in unstable situations. In stable situations, there is also evidence they might raise wages for all. This gap in the evidence could easily be filled, and must.

The CRF is therefore confidently promote and finance households for adaptive livelihood approach as a key strategy for building adaptive capacity of most vulnerable people including women and girls in the climate vulnerable areas in Bangladesh. A list of Adaptive livelihoods is also attached at the end of the document.

Adaptive Livelihood Definition and Approaches:

There is no agreed definition of adaptive livelihoods. However, this become more difficult when we narrow down livelihood semantically as mere income or employment generation means. In lexicon, often livelihoods are treated as a mean to have income, which can be the principal transection to get other means of wellbeing: shelter, food, health, mobility, recreation, water and sanitation and social life. This connotation might not work in very traditional society, where other aspects of wellbeing might not necessarily need money only.

Generally, by the term “Adaptive Livelihoods”, we referred to a certain capacity that helps a person to make their livelihoods sustain despite changes in environment and shocks. Livelihoods in a changing environment experience varying degrees of vulnerability due to climatic, economic and other social factors. Most forms of primary livelihoods are dependent on local resources which are getting scarce by the day, and are under threat from variations in climate that manifest as extreme weather events.

Rural Livelihoods have been suffering because of agriculture becoming less remunerative which is enhancing the vulnerabilities of the poor in the volatile economic environment further exacerbated by climate related risks. Therefore, now it is an urgent need to understand multi-dimensional – especially resource based – vulnerability, in order to develop bottom-up, climate adaptive livelihoods as a core aspect of “adaptive capacity” to climate change.

This project thus focuses on assessing climate related and other vulnerabilities that affect livelihoods in a village and guides activities that will be more resilient in the long run thus contributing towards sustainable livelihoods. In that regards, adaptive livelihoods have three core set of approaches and characteristics: (1) Reducing Exposure and underlying vulnerabilities, (2) Broadening choices to diversify

portfolio of works, and (3) Sustaining human development through skill development for future employment markets. The adaptive livelihood approach is explained in following table along with an example in the context of a household who has to leave by safety net support only (VGD beneficiary).

Table 6: Approaches of Adaptive Livelihoods with an example

Current Livelihoods and its risk exposure	Approaches to Adaptive Livelihoods		
	<i>Reducing Exposure: Protect and Strengthen Livelihood Assets</i>	<i>Broadening Choices: Build and Diversify Livelihood Options for Asset Poor</i>	<i>Sustaining Human Development: Equip the people for future livelihood opportunities</i>
	Reducing Exposure to and Vulnerability of Existing Means of Livelihood.	Shift to and increase certain means of livelihood, which has much lower exposure and vulnerability.	Provide knowledge and skill to new types of livelihood, which has wider and long term potential including lower exposure and vulnerability to climate change.
EXAMPLE			
Small Grocery Shop Risk Exposure: SLR, Cyclone	Raise the plinth of the shop to combat with SLR and tidal surge. Retrofitting of the shop to withstand cyclone.	Enhance portfolio of work with hydroponics, compost preparation, energy efficient and movable oven, making of small purse from leather waste.	Training on Nursing; Agent Banking; Jute Crafts

3. Community Resilience Fund Operation Process

In the overall fund management, there will parties accountable, responsible, get coordinated and be informed in the whole process. The following process is identified as key.

Step 1: LGD and UNDP will identify an Electronic Cash Transfer Entity to transfer the Fund to People.

Step 2: UNDP sub-contract NGOs from UNDP’s pre-qualified entities or through public procurement with the approval of NPD for CRA-RRAP, Capacity Building Support, Social Auditing and Household Risk Reduction Action Plan (HH-RRAP) Development.

Step 3: Household- Risk Reduction Action Plan (HH-RRAP) is included into LDPs and Costed with Detailed Budget and Cumulative Plan

Step 4: UP approves all actions and Send to National Project Director for Fund Transfer as Per Schedule

Step 5: Project Staff on the ground cross check the HH-RRAPs, grants requirements, their bank account information, actual costing of the livelihoods and verify the plan

Step 6: Project office in Local Government Division request UNDP to transfer money through the selected e-cash transfer vendor to the specific beneficiaries in installment.

Step 7: The Social Audit and Final Audit conducted in each year and provide recommendation on the issues of CRF

Step 8: UNDP, GoB and PMU Staff periodically conduct spot check of the grants and improve the grants management.

Determining the Size of Adaptation Grants for Adaptive Livelihoods

Under the CRF, a household will get highest US \$400, while a stipend for climate resilient skill is applicable, an adolescent girl or boy will get highest US \$300. These figures have been determined on the basis of a number of factors. One of those includes FGDs with people whereby they provided information regarding the amount of money required to establish various climate resilient livelihoods. These figures were found to be between BDT 25,000 - 35,000 so the average of these figures i.e. \$400 and \$300 was chosen.

Moreover, livelihood projects which provide cash grants to beneficiaries were studied to figure out the approximate amounts of cash disbursements per beneficiary. These included climate blind asset transfers such as CLP project (\$301), EU UPVGD project (\$244), WFP (289), as well as climate smart projects such as UNDP's waterlogging project (\$385), and CDMP Phase I (\$321). Furthermore, a consultation meeting with different LGIs was held in which the participants noted that BDT 30,000-35,000 is the minimum amount of money required to attain climate resilient livelihoods for the vulnerable beneficiary women and men from extreme poor group. On the basis of all these factors the amount was determined.

The overall CRF Accountability, Responsibility, Coordination and Information matrix will be as follows.

Key Function	Accountability	Responsibility	Coordination	Information
HH-RRAP	Sub-contractedNGOs	HHs; LGIs	Project Staff; UP	Project Staff; DMC;
CC Screening of HH-RRAP	LGIs	Sub-contractedNGOs; Project Staff	Ward Members and UP Staff	UNO; DMC
Approval of the HH-RRAP	Project Staff	UP	Sub-contractedNGOs; DMC	UNO; DDLG
Aggregate the whole plan for Union and Reflect in LDP	LGIs	Sub-contractedNGOs; Project Staff	DMC	UNO; DDLG
Cross Check of the Union Aggregate Plan for CRF	Project Management	LGIs; Project Staff;	UNO; Sub-contractedNGO	UNDP
Aggregate all Union Plan	Project Management	LGIs; Project Staff;	UNO; Sub-contractedNGO	UNDP; UNCDF; Senior Officials of LGD; Development partners
Final Approval of All Grants Transfer	Project Board	Project Management; UNDP	LGD;	Project Steering Committee; Development partners
Transfer of the Fund to the Households (HHs)	UNDP	Project Team; Agent Bank	LGD; Bangladesh Bank; FD	Auditor General; IMED; PC; ERD; DDLG; UNO; UP

Key Function	Accountability	Responsibility	Coordination	Information
Monitoring of the Fund Transfer	LGD	Project Team; UNDP	Agent Bank; UP; Beneficiaries; DDLG; UNO;	IMED; Project Steering Committee
Monitoring of the Uses of Fund at HH level	Project Management	UP; sub-contracted NGO; Social Audit Team; Local Staff of Project	DDLG; UNO; UP	Project Steering Committee
Annual Local Appraisal of CRF	UP	Project Staff; Sub-contracted NGO	UNO; DDLG	Project Management; UNDP; UNCDF
Spot Check and Quality Assurance	UNDP Senior Management	UNDP Programme Manager; Project Team;	Development partners; LGD	Development partners; LGD; Project Steering Committee
Financial Audit of the CRF	Project Management	Audit Firm; UNDP; LGD	Auditor General Office; IMED	Project Steering Committee; LGD; Development partners
Measuring Enhancement of Adaptive Capacity at HHs	Project Management	Sub-Contracted NGOs; Project Staff at Local Level	UNDP; UNCDF; Development partners;	UNO; DDLG; UP; Project Steering Committee; LGD
Integrate lessons in Revision of CRF periodically	UNDP	Project Team; LGD	IMED; Auditor General; Audit Firm, Social Audit Team; UNO; DDLG; UP	Project Steering Committee; Development partners

Role of Stakeholders in Fund Management

LGD	UNDP	LGI	Sub contracted NGOs/ Entities	Vulnerable Households
Lead Accountability	Responsible to Disburse	Responsible to plan	Responsible to conduct social audit and actual audit	Responsible for Household Level Adaptation Plan and Its Implementation
Ensure that HHs RRAP are cumulated as Union Budget and therefore the UNDP is requested to transfer money through electronic cash transfer	UNDP Field Supervisor to ensure the selection criteria and compliances are ensured. Facilitate LGIs and HHs in performing their respective role in identifying climate adaptation action at household (or cluster of households) level. Quality Assurance Role.	Selection of Households in a Participatory Way Assist HHs in identifying climate adaptation actions Ensures compilation of HH-RRAPs part of the LDPs during Planning and Planning Review Process	Audit the selection criteria, HH-RRAP, Cash Receipt in installment, conditions complied before transfer of money in each installment, and use of money in adaptation purpose. Social Audit measures the adaptation; and efficiency and transparency of fund utilization.	Selection of Climate Adaptation Actions at HH Level Implementation of Plan with their own contribution and grants from the project.

Role of Stakeholders in M&E and Quality Assurance of the Fund

LGD	UNDP	LGI	Sub contracted NGOs/ Entities
Lead Accountability	Quality Assurance Responsibility	Responsible to monitor social and financial audit at household level	Responsible to conduct social audit and actual audit
Ensure a robust monitoring mechanism at national and local level. Hiring the audit firm in consultation with UNDP	Ensure that the quality of social audit and financial audit. Ensure that the audit firm hired is good quality and conduct audit transparently.	-Ensure that social audit and financial audit of household level grants are efficient and effectively conducted. -Ensure the all process followed in disbursement of the household level grants are accessible to audit and social audit entities.	To conduct actual financial and social audit.

4. Practiced Means of Adaptive Livelihoods in Bangladesh

4.1 Hydroponics (DAE-FAO, 2009; CDMP, 2009; UNITAR, 2009)

In pro-longed flood and waterlogged area, hydroponics is a potential climate resilient agriculture practice. If the flood level increases further, more area become waterlogged due to increased precipitation this method of agriculture is has higher adaption potential. However, the extreme poor women has scope to improve portfolios of work in this adaptive agriculture. Particularly, cultivation of vegetable seedlings within 15 days is a very good opportunity for VGD women during flood and waterlogging period, when they face challenges to get any work. Hydroponics cultivation increases the capacity of the poor and marginal peasants as well as of the extreme poor women to adapt to increasing precipitation scenario. Women will be able to cultivate eco-friendly vegetables and other crops round the year to enhance family income and nutrition. Apart from the above, women will receive hands-on skill training on summer and winter vegetable cultivation techniques, inter-culture operation of fruit trees, and vegetable seed preservation techniques. Ladies finger, Spinach (*Lalshak & Palang shak*) and seedling of Cabbage, Kohlrabi, Tomato Chili, and Cauliflower is generally cultivated in floating bed (hydroponics). In hydroponics, the bed is made of biodegradable materials, it degrades day by day; after the full degradation the bed can be used as compost for agriculture. The floating beds are made of the water hyacinth, which is available and grow faster in Bangladesh eco-systems. A five member's household can run their family for 2 months with return from 10 beds. 10 hydroponic beds will cost 25000 Taka along with cost of seeds, nets and bamboo. This cultivation does not require any fertilizer to use. However, the farmer often uses pesticides, though training is provided on Integrated Pest Management (IPM) method. This will require training to use bio-pesticides. (UNITAR, 2009).

4.2 Homestead Gardening (DAE-FAO, 2009; UN Women, 2014, CDMP, 2009)

Homestead gardening is a subsistence weapon in different hazard situation. This practice involves a large number of women and it can be done without going outside. The investment and running cost is low. Women will produce vegetables throughout the whole year in the places near homesteads. They usually will produce tomato, spinach, *lalshakh*, *puishakh*, *palangshakh*, *bhindi*, beans, brinjal, cucumber, *jinge*, *lalmi kathoa*, onion, garlic, ginger, turmeric, radish, cabbage, cauliflower, pepper etc. They will protect the garden by raising fences around so poultry and cattle cannot get out. On the fence of the surrounding garden, *puishakh*, *karala*, *jinge* and cucumber are sown. Vegetables can also be grown on scaffolding in the house. Papaya and banana can also be cultivated. In this livelihood practice, household waste and wastewater are used as organic manure.

4.3 Compost/Organic Manure and Traditional Fuel Preparation (DAE-FAO, 2009; CDMP, 2009):

This type of preparation of fuels is mostly done by women and is easy to make fuel from cow dung. Women make fuel ball from cow dung. Cow dung mixed with mud, rice bran and stubs increases the volume and combustibility of fuels. The local people reported (CDMP, 2009) that it has no effect on environment. The organic manure prepared from cow dung also increases the soil fertility and the water holding capacity. For the organic manure, a hole is dug at about 6 ft in length, 5 ft in breadth and 3 ft depth nearer to the cowshed.

4.4 Seed Preservation (DAE-FAO, 2009; CDMP, 2009):

This is a locally adapted livelihood practice which can fulfil seed demands. The farmers select the plants from which they are going to collect seeds. Generally, the luxuriously grown plants having well developed fruits at the top are chosen. Then they store them in poly bags or in earthen plots and put them in dry and cold places where no insect or moisture can enter. In every steps of seed preservation, the role of women is very important. This reduces dependency on market seeds and saves money from buying with cash money at the time of need. It does not involve any harmful effect on environment and it rather increases crop diversity.

4.5 Coconut and Battle Nut/ Ground Nut Tree Plantation (DAE-FAO, 2009; CDMP, 2009):

It is very much suitable for coastal zone. This does not require much cares, manures, capital/labour and profitably useful for areas where other crops do not grow well or at all. It has high demand and suitable for local climate. It is also a socially accepted livelihood practice for women. Seeds are sown in the holes. After sowing seeds the hole is covered with soil that seed can draw necessary nutrition from soil. As a result, young plants come out of the seed within 8-10 days. These trees also act as an environmental protector.

4.6 Fruit Gardening and Medicinal Plantation (DAE-FAO, 2009; CDMP, 2009):

This can be done in the free spaces around homestead or of the educational institutions. This is similar to homestead gardening. Fruit trees like mango, guava, lemon etc. And medicinal plants like *Bohera*, *Horitoki*, *Bhenda* etc. are planted in a garden. This practice fulfils local nutritional demand, has medicinal value and environmental benefits (e.g. *Bhenda* is used as medicine for many dermatological diseases at the time of flood and it is also a good medicine for headache).

4.7 Duck Rearing/ Poultry Farm (DAE-FAO, 2009; UN Women, 2014; CNRS, 2013; CDMP, 2009; UNITAR, 2009):

Duck is a livestock bird animal. It inhabits on both land and water. The suitable areas for duck rearing are water logged areas and in open/closed water bodies. Duck rearing was the source of income in poor community for meeting their nutritional requirements specially proteins. The variety of duck is *kambel*, *indigenous* and *Runner*. Duck or poultry rearing is a socially accepted livelihood for women. Usually these livestock birds (e.g. duck, hen etc.) need food that involved poultry feeds, vitamins – AD, multivitamins, calcium, vitamin- B plus, rice bran mixing with rice and broken rice etc. This livelihood practice requires cages. For duck rearing process, a house made of mud, straw, bamboo and ropes for the ducks is required. These livestock birds also need medicine to prevent or cure diseases though they have lower disease and death rates. Usually women collected the babies of duck or hen. On each occasion, they collected 1000 babies (CDMP, 2009) and after three months they sell them. They can also sell the eggs of duck and hen and earn money.

4.8 Harvesting Firewood from Flash Floods (CDMP, 2009; CNRS, 2013; DAE-FAO, 2009)

Harvesting firewood reduces the vulnerability of natural hazards. It is economically cost effective and scope of involvement of women is high throughout the entire process. People use a triangular shaped net to trap coal and log from the stream. During the flash floods,

the flood water comes down with a very high current through the *khals* and canals. The people lay the net as trap across the current and wait. It requires 7/8 people altogether and the net. However, the amount of coal that is collected depends upon one's luck. Some are very fortunate enough to collect up to 400-500 mounds of coal. A household can gather logs and coal needed as fuel for an entire year and also can earn income. Adult male, females and even adolescent girls and boys can get involved in the task. The basic requirement in collection process is physical strength and little skill.

4.9 Murta Cultivation and Weaving Shitol Pati (CDMP, 2009):

Women can take out the bark of the plants called *Murta* and weave a kind of mat which is very soothing and cool to lay on during the summer season and that's why they are called *Shitol Pati* (Cool Mat). It has very high local demand and thus economically cost effective. The women usually learn the art of weaving the *pati* traditionally. So no training is required to teach them. They require a loan to buy the sapling of the tree and other materials. They can also plant their own sapling in their land. The plant needs at least two years time to be matured. The new plants may die because of staying under water for two-three months, at the time of flood.

4.10 Manufacturing Cane Furniture (CDMP, 2009):

It can be carried out as a cottage industry if the industry demands survival and the cane cultivation is expanded. Involvement of women is very high in this activity. Main raw material cane is locally available. The equipment needed to make cane furniture are: *hechko* blade frame, blade, cleaver, knife, hammer, blow lamp, measuring tape, *hambura* and stool, cost about TK 1800 and once bought can be used for a long time. Usually 200-250 pieces of raw canes are bought at a time and left to dry out in the sun for a week. The crooked ones are straightened by applying heat. Blow lamps are used to heat the canes. Different types of furniture like sofa, dress stand, swings, chairs etc. are made of cane. The work is environmental friendly but making cost is very high.

4.11 Floating Agriculture and Kandi Method of Cultivation (CDMP, 2009):

Due to water logging in flood-prone areas, the crisis of cultivable land has forced the people to change their traditional agric practices. It is a profitable venture. At first, women have to make beds for cultivation of crops. Two labourers are needed to make the decomposed bed which can also be used as input material of *Kandi* preparation. The floating bed is also used as organic manure. Several bamboo poles are needed and the amount of water hyacinth is to be collected form a surface. These hyacinths are locally available. It is a community based technology and adopted and fitted with local ecology. No manure or insecticides is needed to be applied after sowing the seeds or planting the saplings. Only a long bamboo pole is fixed up to prevent movement of bed caused by wing or current.

4.12 Rice Fish Culture (DAE-FAO, 2009):

Rice-fish culture involves farmers introducing another 'crop' into their rice fields – small, indigenous fish. This technique is good for both the fish and the rice. Safely hidden from birds, the fish thrive in the dense rice plants, while they in turn provide a source of fertiliser with their droppings, eat insect pests and help to circulate oxygen around the rice field. These lifesaving crops are doubly good for poor families struggling to deal with the global food crisis. A diet of fish is an excellent source of protein and so improves people's health.

Extra rice yields, meanwhile, not only put meals on tables but enable families to sell surplus food at market. The farmer plants the rice in rows that are roughly 35cm apart, then fills 50% of the ditch with water. The water is purified with a small quantity of lime, and a little organic fertilizer is added. Then, when the rice starts to shoot, the water level across the field is increased to 12–15cm, and small fish or ‘fingerlings’ are released into the ditch. As soon as they have acclimatized to the rice field water, the farmer releases them into the field and raises the water level as both the fish and rice grow. Come the first harvest, approximately 4–5 months later, the farmer will harvest the rice first, and then drain the rice field to collect the fish into the ditch where they can easily be caught. In areas where Practical Action has helped people to develop rice-fish culture, farmers have reported a 10% increase in rice yields, plus enough fish to provide regular, high-protein meals for their families⁴¹.

4.13 Fish Collection (DAE-FAO, 2009; CDMP, 2009):

Due to water logging, the local people can catch fishes including young spawns from the waterlogged lands. They cultivate them to be bigger in a piece of land by making dam around by themselves. They collect fishes with the help of push nets, *charu* (a kind of box which is made by bamboo, and date palm root). They also catch fish by *Komar Deya* (an artificial shelter). In the *Komar* they put some food items for fish repeatedly for some days and fishes love this spot to idly and to stay safely. When the farmers find that there is maximum amount of fish, they encircle around with nets and remove the straws and branches and catch the fishes. Mostly women are involved in these works. It ensures daily protein requirements of common people.

4.14 Collection of Lichen, Moss and Algae (DAE-FAO, 2009; CDMP, 2009)

The weeds lichen, moss and algae are naturally grown and thus do not need to be planted. They are a good food for carp fishes. A van of weeds can be sold at Tk 100 to Tk 150. It can be a source of complementary income and the collector itches her body when they collect the weeds.

4.15 Reed Cultivation and Mat Weaving by Reed (CDMP, 2009; UNITAR, 2009):

In a plot of boggy lands the farmers plant the seeds of *mele/patra* and then they are not to take any care of it. The *patra* grows throughout the whole year. The mature *patras* are cut and bound into bundles and often they are placed in the water of a pond. Then it is allowed to dry up in the sun. Then the upper portion of the stem is taken out with a sharp chopper. These are then a thin sheet like and long and are dried well in the sun. The weavers who like to make coloured and decorated mat, they add colour to these sheets and the colour is dried. With these sheets they can make decorated *Shitol Pati* which has demand in market.

4.16 Rain Water Harvesting (DAE-FAO, 2009; IRD, 2006; CDMP, 2009):

GO-NGOs may come forward to disseminate the Rain Water Harvesting Technology which will employ women to take care of those plants. It will serve as their livelihood option as well as a source for fresh water to drink, cook and use for various purposes.

⁴¹<http://practicalaction.org/ricefishculture>

4.17 Shrimp Cultivation (CDMP, 2009; UN Women, 2014):

Shrimp cultivation is a very profitable venture but it involves great environmental damage leading to salinity intrusion. Farmers dig canal from the coast to the besiegement of prawn and when there is tide in the sea, saline water rushes to the land through the canal and they trap the water for fish cultivation. They feed the shrimp naturally available fodder and three months after they harvest the fish. The shrimp *beels* always need water of 2-3 ft height. Total cost of shrimp cultivation is Tk 8274 per *bigha* and net benefit from the enterprise is Tk 30126 in a year and in addition (CDMP, 2009). However leaching salinity, the neighbouring plots are rendered unproductive for any other agric purpose.

4.18 Golpata Plantation (CDMP, 2009):

Golpata is used traditionally for roofing and fencing of kitchen and sheds of cows and storehouses. This resource is obtainable at free of cost from the *Sundarbans* and adjacent areas. Its demand is increasing nowadays. Women can collect ripen fruits for seed of *golpata*. About fifty seeds can be planted in a *katha* of land. It takes about 3 to 4 years for *golapta* tree to offer offshoots. Usually offshoots are obtained during winter and the tree regenerates. It is environmental friendly and cost effective.

4.19 Salt Cultivation (CDMP, 2009):

It is a process of producing salt from the sea water, the natural wealth. The salt cultivation season starts from mid-November- mid December and it continues up to mid-April- mid May. At first the land needs to be divided into six plots transversely and then divided longitudinally. A hole is dug in order to hold water that cannot be discharged adequately. During the salt drying process, water has to sprinkle over plot to avoid large granule formation. If there is a sufficient sunlight, the salt dries up quickly and within two days, they can finally harvest. It is a short term harvest and need few labours and mostly the household labours work in the salt fields.

4.20 Nurturing Natural Dewdrops (CDMP, 2009):

To increase the moisture of the soil in winter season, farmers take the initiative to use dewdrop as a substitute to rain water. Farmers very early in the morning go to the fields with a bamboo stick and shake the paddy plants so that the drops fall of the leaves to the ground below to moist the soil. It is an environmental friendly practice.

4.21 Lakha (Lac) Cultivation (UN Women 2014; CDMP, 2009):

Lac or Lakkha cultivation involves rearing a kind of insects called Laccifer Lakkha, which produces a natural resin. The resin is widely used in the industries like food processing, leather, textile, pharmaceuticals and perfume. The host trees are pruned in proper seasons. A boroi tree needs to be 4-5 years for being used for lakkha cultivation. It generally takes three days for the insects to settle on the twigs of the host trees from the brood lac. After that brood lac can be taken out and sold in the market for Tk 5 per stick. It increases women's participation in economic activities.

4.22 Small Cottage Industry and Handicrafts (DAE-FAO, 2009; UN Women, 2014, CDMP, 2009; CNRS, 2013):

Women can also engage in making and selling handicrafts like Fishing net, fish cage, bamboo-made goods, snail-made toys, Nakshi Kantha, hair clips, jewelleryes and turn this

into a small cottage industry by involving more women. This is very profitable, has high demand but needs marketing of these products.

4.23 Small Business, Grocery Shop, Tea Stall or Hardware Shop (DAE-FAO, 2009; UN Women, 2014, CDMP, 2009; CNRS, 2013)

Women can operate small businesses from house. It is highly profitable as it has market demand. It requires a space allocation in village market and the money for renting shop and groceries or other stuffs. But the space needs to be selected carefully so that it is not destroyed in flood, cyclone or any other disasters.

4.24 Fish Drying (CDMP, 2009):

Chang is the local name given to the scaffold prepared for drying fishes in the locality. It is prepared in an open space in the haor in front of the house, where there were no trees around. Generally it takes 7 to 10 days for fishes to dry. Three labours work for three days and receive a wage of Tk 120 per day. So the expenses for dry fish production is around Tk 30000 which costlier for poor women but profitable.

4.25 Charu Making (CDMP, 2009; UNITAR, 2009)

Charu is a kind of box which is made by bamboo, and date palm root and it is used to collect fish. To make charu, roots of the tree are needed. So when women collect roots, they make the tree weak. They also need bamboo, so harvesting may take place more than planting.

4.26 Ring-based vegetable cultivation (UNITAR, 2009; DAE-FAO, 2009):

Ring-based vegetable cultivation in water logged area is a new concept, where vegetables are cultivated round the year. Concrete rings are placed in a relatively higher land around the homesteads and soils are filled up, then seeds are sown. When they grow, branches are put on structures made of sticks or bamboo poles, or they are put on tin/leaf roofs. Pumpkin, Gourd, Spinach, Chili, Balsam Apple, and other vegetables are cultivated in the ring-based system.

4.27 Crab Cultivation (CDMP, 2009; UNITAR, 2009):

Crab aquaculture is the cultivation of crab which can be done within short duration, on a small plot of land with materials available, with domestic labour and at minimum cost. But similar to shrimp cultivation, it also accompanies with environmental degradation. For crab aquaculture, the plots, 2-3 ft deep, connected to the nearby rivers, visited regular by the sea tides are suitable. Generally clayey and loamy soil is suitable for it. The small crab claws are collected from the seashores and they are 50-60 gm weight and cost Tk 20-30 per kg (CDMP, 2009). The cultivator usually nurse 200-500 kg of these calves to a bigha of the besieged area. Crab is nocturnal animal and it eats everything but it basically lives on small fishes and grass. Crabs have rapid growth. After collection of crabs from besiegement area, they survive maximum 7 days in air. The middlemen buy the crabs from the owners of the besiegement and then they sell to the exporters according to their weights. Generally, the demand is high at the time of Christmas and New Year. It is a profitable venture compared to any other agric products. Once a farmer cultivates crab in a piece of land he cannot go back to other crops as the land became infertile and to allow entry of saline water, the adjoining lands also become saline.

4.28 Preparation of Bio-pesticides using herbal plants (DAE-FAO, 2009)

Using Neem, Nishinda, Bishkatali etc. trees bio-pesticides can be produced by women at low cost which are climate friendly and have low health risk. Such as, neem juice is the most powerful natural pesticide on the planet, holding over 50 natural insecticides. This extremely bitter tree leaf can be made in a spray form, or can be bought from a number of reputable companies⁴². “Biological pesticides”, or “Biopesticides” as the name suggests, are naturally occurring substances that biologically control harmful pests, especially among field crops. These are naturally produced bio chemical materials basically non-toxic to the environment that can be employed in pest control. Biopesticides could mean living organisms (bacteria, virus, and algae), their products (bio-chemicals produced by them) and also plant byproducts⁴³.

4.29 Kewra tree plantation (UNITAR, 2009):

The Kewra (*Sonneratia apetala*) plants are usually cultivated on saline soil or around the ridges of a prawn culture area or in the premises of homesteads. In the project, Kewra plants were cultivated near the river beach. The Kewra is used for multiple purposes. Its fruit is edible by humans and can be converted to various food items. It has an economic importance for additional income to the poor. Side by side, it acts as an environmental protector, such as wind-breaks and soil protector against erosion in the coastal region. In addition, tree roots and shell of the fruits are used as fuel and its wood makes good furniture. Besides Kewra tree plantation, any type of tree plantation has unlimited value to the environment though some may not have any economic importance as tree is the nature protector.

4.30 Improved Stove Making (DAE-FAO, 2009):

There are different types of improved cooking stove which are environment friendly and save time and money. One type is portable ICS which made of mud like the traditional one but there are some specific measurements of fuel chamber, grate, air flow chamber, stove top diameter, ash collection chamber, height, weight, etc. to be followed during preparing such stoves. All the traditional biomass fuels cannot be used in this type of stove. Specifically, husk, dry leaves, straw, etc. are not convenient to use as fuel as porous cast iron grate is used here. Only fire woods like tree branches, bamboo, charcoal, cow- dung, etc. can be used. The main difference of this stove with the traditional stove is that it burns the firewood more effectively which reduces the quantity of firewood required for cooking. Time for cooking can be same or less than the traditional and produces same amount of smoke like the traditional stove. It can be moved easily from one place to another for which it can be used during rainy season inside the house. Price of such stove in the market varies from Tk. 800 to Tk. 1000 (BRAC, 2011).

4.31 Winter-seasonal Cake Making (Pitha) and Baking (CNRS, 2013; UN Women, 2014):

Bangladeshi rural women are very skilful to make various winter seasonal food items (e.g. Patishapta, Chittoi, Vapa Pitha etc.) and many bakery items which has high demand in villages and cities. These require very low resources. So the venture can be highly

⁴²<http://www.globalhealingcenter.com/natural-health/organic-pesticides/>

⁴³<http://www.ecoideaz.com/expert-corner/bio-pesticides-in-india-a-safer-alternative>

profitable, if there is adequate marketing of the products. If the women get more training on making various bakery items along with the local food items (e.g. Shingara, Shamucha, Sandwich etc.) along with capital, they can also run a bakery shop which can be highly profitable business.

4.32 Fodder Cultivation (DAE-FAO, 2009; CDMP, 2009):

Fodder cultivation can meet the nutritional requirements of the livestock. Livestock convert fodder shrubs and grasses from the forest, crop residues, and other fodder into manure through digestion. In earlier times, livestock were left to graze in the forests and on community lands. The animals sought out their own food and were only assembled for milking and to protect them from wild animals. With the introduction of stall-feeding, the demand for fodder has increased greatly with a subsequent large increase in women's workload as it is they who are responsible for collecting the fodder⁴⁴. It can be turned into a profitable business.

4.33 Tailoring and Embroidery (DAE-FAO, 2009; UN Women, 2014, CDMP, 2009; CNRS, 2013):

Bangladeshi rural women are very expert at making dresses which always have high demand in rural and urban areas. Tailoring and embroidery is the most suitable and profitable livelihood option for women as a large economic sector of Bangladesh is Ready Made Garments where major portion of the employee is women⁴⁵. If proper training can be provided to women and adolescent girls, they can use those skills in securing a job in RMG factory and performing efficiently. Besides these they can also turn their activity of tailoring and embroidery to a small cottage industry from which they can supply their products to urban markets.

4.34 Flexiload Trading/Mobile Banking (CNRS, 2013):

Flexiload trading and mobile banking is profitable livelihood option for women as they can easily operate it if they get the access to become the agents. They can also operate it from inside the house.

4.35 Food Preservation (CDMP, 2009):

This is an innovative practice which can be implemented in the flood-prone areas, allowing crops to be saved and helping to ensure food security. Such as, the people of Ratanpur have taken the initiative to process and preserve a popular local food called *Sidol* (CDMP, 2009). The raw materials for preparing every 2 kgs of *Sidol* are dry fish (small sized) 1 kg, *Kachu* (arum of any type) 3 kgs and turmeric two to three teaspoon foos. *Sidol* generally is an individual family food stock and not sold in the market but its market price may be Tk 90-95 per Kg. People generally prepare this *Sidol* in the winter but it can be prepared throughout the whole year. Women's involvement is high throughout the entire process and women can combine this with other household work. The entire efforts are economically cost effective.

⁴⁴<http://www.icimod.org/?q=10358>

⁴⁵http://www.oecdobserver.org/news/fullstory.php/aid/4368/Readymade_garments_in_Bangladesh:_No_longer_a_forgotten_sector.html

4.36 Plant Nursery:

Plant nursery is a very suitable livelihood for VGD women. A nursery requires small piece of land to be rented for a certain period of time and prepared in a way that in the land plants are propagated and grown to usable size with a good quality. This include retail nurseries which sell to the general public. The popular practice of a nursery in rural Bangladesh is that of a supplier of garden plants, the range of nursery functions is far wider, and is of vital importance to many branches of agriculture, forestry and conservation biology. The VGD women can supply more climate resilient plant and seedlings for the particular areas and can also earn income from the nursery as part of their portfolio of climate resilient work.

4.37 Cage Aquaculture

Cage aquaculture was practiced by a few INGOs under livelihood programme in 90's. While, climate change has become a challenge and poor people do not have access to fish ponds, cage culture came back again for landless poor women as an alternative and climate adaptive livelihoods in 2002-04 in flood and SLR contexts. Cages consist of a fish-net bag which is open at the top, where it is hung from a floating framework. The bag hangs loose in the sea, but it is kept taut by the weight of sinkers. The nets are usually 10-15 meters in depth, with a perimeter of 50-90 metres.

4.38 Other off-firm livelihoods

A few other off-firm livelihoods are also observed and opined by the VGD women as an adaptive livelihood for high climate change exposed rural extreme poor and vulnerable women. These includes: Small Leather purse from leather wastage, Food Processing and Food Packaging, Rural Public Works (as labourer and supervisor), Rice Puff Preparation, Tea Stall, Agent Banking, Organic Fertilizer Preparation, Garments Works, Food Restaurant, Retailers, Oil processing, Beauty Parlor or Saloon for Women, Nursing, Trained Midwife, Wooden Handicrafts, Basket Weaving from Water Hyacinth, Jute Craft and small cottage industries (Handloom).