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Adaptation Fund Board
Project and Programme Review Committee
Thirty-third Meeting
Bonn, Germany, 16-17 April 2024

PROPOSAL FOR BANGLADESH

ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: Regular Size Full Proposal

Country/Region: Bangladesh
Project Title: Green, Resilient, and Adaptive CHT Economy (GRACE)-LoCALplus
Thematic Focal Area: Multisector
Implementing Entity: International Centre for Integrated Mountain Development (ICIMOD)
Executing Entities: Ministry of Environment, Forests and Climate Change of Bangladesh (MoEFCC); Ministry of Local Government, Rural Development and Cooperatives of Bangladesh; Ministry of Chattogram Hill Tracts Affairs (MoCHTA); Chattogram Hill Tracts Development Board; Three (Bandarban, Khagrachari, and Rangamati) Hill District Councils; Nations Capital Development Fund (UNCDF); Government Technical Departments/Local NGOs (TBD)

AF Project ID: AF00000347
IE Project ID: **Requested Financing from Adaptation Fund (US Dollars):** 9,999,930
Reviewer and contact person: Neranda Maurice-George **Co-reviewer(s):**

IE Contact Person: Prerana Dhakhwa

Technical Summary	The project "Green, Resilient, and Adaptive CHT Economy (GRACE)-LoCALplus" aims to strengthen the climate resilience of vulnerable hill communities, with a special focus on empowering women and local tribal communities alongside ecosystems, and economies in the CHT. This will be done through the following two components below: Component 1: Capacity building and mainstreaming Climate Change Adaptation (CCA) into local government systems for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism (USD 2,973,940). Component 2: Grant facility and PBCRG mechanism for adaptation intervention (USD 5,367,015)

	Requested financing overview: Project/Programme Execution Cost: USD 875,570 Total Project/Programme Cost: USD 9,216,525 Implementing Fee: USD 783,405 Financing Requested: USD 9,999,930 The initial technical review raises several issues, such as budget details, adequacy of ESMP, adequate treatment of USPs etc., as is discussed in the number of Clarification Requests (CRs) and Corrective Action Request (CAR) raised in the review.
Date:	13 February 2024

Review Criteria	Questions	Comments
Country Eligibility	1. Is the country party to the Kyoto Protocol or the Paris Agreement?	**Yes.**
	2. Is the country a developing country particularly vulnerable to the adverse effects of climate change?	**Yes.** The project proposal focuses on addressing the impacts of climate change extreme events in particular drought and extreme rainfall which results in adverse impacts such as water shortages, flooding and land slippage among others. These climate change impacts further exacerbate the vulnerabilities of persons living in the Chattogram Hill Tracts (CHT) of Bangladesh, which is predominantly home to ethnic groups.
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project/programme?	**Yes.** As per the Endorsement letter dated 26 February 2023
	2. Does the length of the proposal amount to no more than One hundred (100) pages for the fully-developed project document, and one hundred (100) pages for its annexes?	**Yes.** **CAR1**: Please amend the proposal cover page to reflect that this is a fully developed proposal and not a concept.

	3. Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?	**Partly.** The project focuses on building the adaptive capacity of persons in the Chattogram Hill Tracts (CHT) of Bangladesh. It seeks to do through training, sensitization and awareness raising of communities and local governments as well as implementing concrete adaptation actions based on the specific needs of the communities, through a Locally Led Approach (LLA) to implement a Performance-Based Climate Resilience Grant (PBCRG) mechanism to address adaption investment deficits. The project/programme contains a set of activities suited to addressing the climate change impacts identified as related to temperature and precipitation projections. The activities and the TOC clearly presented. The project does contain USPs. An investment menu presented at Part I page 21-22 does not provide sufficient detail on which actions will be undertaken. A ranking is presented but the weighting is not identified. Table 7 indicates that "12 interventions from the investment menu were recommended by participants to be prioritized'. While Table 4 indicates that the items in bold were not a priority during the July and November 2023 workshops. However, it is noted that some of these are ranked 1, 3 etc. **CAR2:** Please provide further information to further clarify how interventions will be prioritized under the three main sectors of water resources, agriculture and eco-systems, wetlands and biodiversity. If possible, indicate which of these are targeted for which Upzillas. **CAR3:** Please provide additional information in Part I under Component 2 where USPs are proposed including additional

		information allocation formula for the grants and other guidelines for the operationalization of the USPs. Please be guided by the details required in the USP guidance at https://www.adaptation-fund.org/wp-content/uploads/2021/05/Updated-guidance-on-USPs-.pdf The proposal indicates in Part II A under Activity 1.1.1 that "comprehensive climate risk and vulnerability assessment (CRVA) across multiple districts". **CR 1:** Please clarify if the sectors proposed for the CRVA are all those identified previously (water resources, agriculture and eco-systems, wetlands and biodiversity.)
	4. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	**Yes.** As per Part III Section E, the expected beneficiaries of the project 15% of the population of the 20 targeted Upazilas of which at least 50% of women in the communities. The ethnic groups have been identified as particularly vulnerable and are the target population for this intervention. Part II Section B also shows that the project design also demonstrates efforts to avoid maladaptation and compliance with the Gender Policy requirements of the Fund. **CR2:** Please provide additional information on activities that would lead to increased income generation, for example, training on improved access to markets and how specifically the project will improve access to financial mechanisms, such as potential agreements with banks or improved access to climate-related disaster-risk financing in the event of droughts or floods.
	5. Is the project / programme cost effective?	**Unsure.** The proposal provides a logical explanation of the selected scope and approach with cost effectiveness demonstrated from a sustainability point of view.

		CAR4: Please strengthen the cost effectiveness analysis to include project specific information based on the project outputs and activities including quantitative comparison of the cost-effectiveness of the proposed measures with alternative adaptation measures.
	6. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?	**Partly.** At Part II Section D, the project references the NAP 2023-2050; the Updated NDC 2021; The Bangladesh Climate Change Strategy and Action Plan and the Bangladesh Country Investment Plan for Environment, Forestry and Climate Change (EFCC CIP) among others. The section falls short of making the linkages and alignment with the existing proposal. **CAR5:** Please indicate how this project is linked to the key national documents cited, making specific linkages to the outcomes, outputs and activities as necessary.
	7. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?	**Partly.** Part II Section E presents a list of policies, legislation that are applicable to the project. However, it falls short of indicating how the project will comply with these or the steps that will be taken to ensure compliance. **CAR6:** Please specify how the applicable national technical standards are aligned with the project and how the these will be complied with as required by the ESP of the AF.
	8. Is there duplication of project / programme with other funding sources?	**No.** Part II Section F indicates that synergies and opportunities to build on several other projects are identified in the proposal.

	9. Does the project / programme have a learning and knowledge management component to capture and feedback lessons?	***Yes.*** Part II Section G indicates that among other actions the project will focus on "developing knowledge products and organising workshops, training, and policy dialogues at the local and national government levels for mainstreaming and policy influence". Additionally, it indicates that it will "capture of learnings from and disseminating knowledge to these populations".
	10. Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	**Partly.** Part II Section H presents summary information supported by Table 7 with information on the consultations held, their objectives, the stakeholders consulted as well as the outcomes and conclusions. It includes representatives from the Upzillas. **CR3:** The preamble suggests that the project will be co-developed and that further consultations will be conducted during the proposal development stage. Since the current submission is the fully developed proposal, please clarify the disconnect between the conclusion column as it relates to the 2023 consultations in table 7 and the preamble of Part II Section H. **CAR7:** Please amend the section to provide information on gender-responsiveness of the consultations as well as direct and indirect stakeholders of the project, including vulnerable groups.
	11. Is the requested financing justified on the basis of full cost of adaptation reasoning?	**Yes.** At Part II Section I the section indicates that the project will be fully funding by the Adaptation fund resources and that no co-financing is required. With AF resources the project

		will provide non-repayable grants deployed as technical assistance, capacity-building grants, and result-based payments in Performance Based Climate Resilient Grants (PBCRGs).
	12. Is the project / program aligned with AF's results framework?	**Partly.** The risk framework is presented but does not accurately reflect the AFs, indicators in the table presented at Part III Section F. Additionally, there are several risks and assumptions missing in the table presented in Part III Section E. **CR4:** In the risk framework at Part III Section E, please include the risk and assumptions associated with the project objective; output 1.1; output 1.2; outputs 1.3; indicators 2 and 2 under outcome 2; and outputs 2.1-2.3. **CAR8:** Please ensure that the AF indicators presented are accurately reflected in the table at Part III Section F.
	13. Has the sustainability of the project/programme outcomes been taken into account when designing the project?	**Yes.** The Theory of change presented at Part I defines the project approach as two-pronged approach " (i) enhancing the capacity of local governments and vulnerable communities to build resilience to climate change impacts, and (ii) enhancing country systems to access climate finance and deliver on locally led adaptation efforts". The proposal at Part II Section J identifies the levels at which sustainability will be pursued including through building technical, institutional, and operational sustainability at the local level. The project will utilize the LoCAL approach and also utilize economic, social and environmental

		sustainability. The project is also seen as a baseline for the next Phase of Bangaldesh's LoCAL programme.
	14. Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	**Yes.** The project does contain USPs and these are justified given the local context in the project area. The project is categorized as B because of the USPs. The proposal identifies potential environmental and social impacts and risks including gender-specific cultural and/or legal context in which the project/programme will operate. An ESMP and a Gender Action Plan are included with the proposal. The ESMP states that "USPs will be further screened prior to implementation to identify potential new risks and adopt appropriate mitigation measures to be captured by relevant ESMPs for implementation, monitoring, and reporting." **CR5:** Please clarify the meaning of this sentence against the requirement of AFs USP guidance at Paragraph 21 specifically "For the allowed and justified USPs, a proposal needs to ensure through the ESMP that the USPs will go through the same risks identification process and subsequent safeguards steps as the fully formulated activities that are included in a project or programme proposal, including consultation".(Paragraph 21 AF USP Guidance). The USP guidance document at https://www.adaptation-fund.org/wp-content/uploads/2021/05/Updated-guidance-on-USPs-.pdf.

		CAR9: Please also demonstrate that the project is entirely compliant with the AFs USP guidance document including that the USP arrangements are in place.
Resource Availability	1. Is the requested project / programme funding within the cap of the country?	***Yes.*** The remaining balance under Bangladesh's country cap is $10,004,631.
	2. Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?	**Yes.**
	3. Are the Project/Programme Execution Costs at or below 9.5 per cent of the total project/programme budget (including the fee)?	**Yes.** In Part III Section G Detailed budget, the total of components plus execution costs adds up to 9,216,526 not 9,216,525. Component totals in table G totals 8,340,956. This results in a total financing amount of 9,999,931. This is different from what is presented in in Project/Programme Components and Financing table under Part I which is 8,340,955. **CAR10:** Please make the required amendment to the project budget.
Eligibility of IE	1. Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?	**Yes.**
Implementation Arrangements	1. Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	**Partly.** The implementation arrangements include a clear description of roles including through pictorial representation of relationship between ICIMOD, UNCDF, a project steering committee and a Project implementation committee. This includes the signing of MOUs to guide the relationship between the partners and executing agencies.

		With the emphasis on locally led adaptation it would be useful to include in the pictorial representation and in the write up under Part III Section A where the community level representation would feature in the structure. **CR6:** Please clarify where the community level representation would feature in the structure. **CAR11:** Please demonstrate how the implementation arrangements incorporate gender-responsive elements as appropriate.
	2. Are there measures for financial and project/programme risk management?	**Partly.** Institutional risks are not identified. **CR7:** Please clarify if institutional risks are not a consideration for this project.
	3. Are there measures in place for the management of for environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	**Partly.** The ESMP indicates opportunities for consultation and details an accessible and meaningful grievance mechanism. However, the ESMP monitoring plan does not contain clearly allocated roles and responsibilities for its implementation and arrangements neither at Table 12 in Part III Section C nor in the ESMP Annex 7. The ESMP at Annex 7 does not include a budget. **CAR12:** Please ensure that the ESMP includes budget and also includes the roles and responsibilities for its implementation.
	4. Is a budget on the Implementing Entity Management Fee use included?	**No.**

		The detailed budget - Part III Section G does not include a breakdown of the Implementing Entity Management Fee. **CAR13:** Please include a breakdown of the implementing entity management fees.
	5. Is an explanation and a breakdown of the execution costs included?	**No.** The detailed budget - Part III Section G does not includes breakdown of the Execution costs. **CAR13:** Please include a breakdown of execution costs.
	6. Is a detailed budget including budget notes included?	**No.** The detailed budget - Part III Section G does not include budget notes indicating the break- down of costs at the activity level, neither is there an indication if adequate resources are allocated in the project/programme budget for gender-responsive implementation. **CAR14:** Please include detailed budget notes including an indication if adequate resources are allocated in the project/programme budget for gender-responsive implementation.
	7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?	**Partly.** The proposal includes a budgeted MEL plan which mentions key milestones, is costed has timelines and responsible parties included. However, it does include sex-disaggregated data, targets and indicators. **CAR15:** Please strengthen the MEL plan by including include sex-disaggregated data, targets and indicators.

	8. Does the M&E Framework include a break-down of how implementing entity IE fees will be utilized in the supervision of the M&E function?	**Yes.** In Part III Section D, the MEL Plan presented at Table 13 is budgeted with breakdown of IE fees for supervision of M&E function.
	9. Does the project/programme's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?	**Partly.** The proposal includes a results framework in Part III Section E and a table showing the linkage between project objectives and outcomes to the Fund level outcome and outputs. The table at Part III Section F also presents linkages to the AFs results framework indicators. However, some of the AF indictors are not accurately represented. The project includes 2 core indicators the first on direct and indirect beneficiaries and the second on Assets produced, developed, improved, or strengthened. **CAR16:** Please ensure that the AF indicators presented are accurately reflected.
	10. Is a disbursement schedule with time-bound milestones included?	**Yes.**

PROPOSAL FOR SINGLE COUNTRY

PART I: PROJECT/PROGRAMME INFORMATION

Title of Project/Programme:	Green, Resilient, and Adaptive CHT Economy (GRACE)-LoCALplus
Country:	Bangladesh
Thematic Focal Area:	Multisector
Type of Implementing Entity:	Regional Implementing Entity
Implementing Entity:	International Centre for Integrated Mountain Development (ICIMOD)
Executing Entities:	▪ Ministry of Environment, Forests and Climate Change of Bangladesh (MoEFCC); ▪ Ministry of Local Government, Rural Development and Cooperatives of Bangladesh; ▪ Ministry of Chattogram Hill Tracts Affairs (MoCHTA) ▪ Chattogram Hill Tracts Development Board; ▪ Three (Bandarban, Khagrachari, and Rangamati) Hill District Councils; ▪ United Nations Capital Development Fund (UNCDF); ▪ Government Technical Departments/Local NGOs (TBD)
Amount of Financing Requested:	9,999,930 (in U.S Dollars Equivalent)

Letter of Endorsement (LOE) signed: Yes ☒ No ☐

Stage of Submission:

☒ This concept has been submitted before

☐ This is the first submission ever of the concept proposal

In case of a resubmission, please indicate the last submission date: As part of the rolling review/submission process. Previous version dated 10 August 2023.

Acronyms and abbreviations

ACCAF: UNCDF's Assessing Climate Change Adaptation Framework

ADB: Asian Development Bank

ATM: Adaptation, Tracking and Measuring System

BCCSAP: Bangladesh Climate Change Strategy and Action Plan

BDT: Bangladeshi taka

BFD: Bangladesh Forest Department

BMD: Bangladesh Meteorological Department

BAU: Business as Usual

CCA: Climate Change Adaptation

CCKP: Climate Change Knowledge Portal

CRVA: Climate Risk and Vulnerability Assessments

CHT: Chattogram Hill Tracts

DAE: Department of Agricultural Extension

DoE: Department of Environment

GCF: Green Climate Fund

EU: European Union

FAO: Food and Agriculture Organization of the United Nations

GCMs: Global Climate Models

GDI: Gender Development Index

GGGI: Global Gender Gap Index

GII: Gender Inequality Index

GoB: Government of the People's Republic of Bangladesh

HDC: Hill District Councils

HDI: Human Development Index

ICIMOD: International Centre for Integrated Mountain Development

IPCC: Intergovernmental Panel on Climate Change

IUCN: International Union for Conservation of Nature

LAPA: Local Adaptation Plan of Action

LDCs: Least Developed Countries

LGAs: Local Government Authorities

LGD: Local Government Division

LoCAL: Local Climate Adaptive Living

LoGIC: Local Government Initiative on Climate Change

M&E: Monitoring and Evaluation

MEL: Monitoring, Evaluation and Learning

MIS: Management Information System

MoCHTA: Ministry of Chattogram Hill Tracts Affairs

MoEFCC: Ministry of Environment, Forests and Climate Change

NAP: National Adaptation Plan

NC: National Communication

NDCs: Nationally Determined Contributions

ND-GAIN: Notre Dame Global Adaptation Initiative

PBCRG: Performance-Based Climate Resilience Grants

RCMs: Regional Climate Models

RCPs: Representative Concentration Pathways

UNCDF: United Nations Capital Development Fund

UNFCCC: United Nations Framework Convention on Climate Change

UNDP: United Nations Development Programme

UNPs: Union Parishads

UPs: Upazila Parishads

WEF: World Economic Forum

ZPs: Zila Parishads

Project/Programme Background and Context:

Introduction

As one of the world's most vulnerable countries to climate change,[1] Bangladesh has an urgent need for proactive and robust adaptation investments to ensure continued sustainable development. In particular, the Chattogram Hill Tracts (CHT), Bangladesh's main hilly region in the southeast of the country, faces significant challenges due to its terrain, inaccessibility, remoteness, and past conflicts. The population relies heavily on subsistence farming, cottage industries, and services. However, environmental degradation and limited capacity to adapt to climate change impact the region's sustainability, and it was identified by the Government of Bangladesh as one of the country's 'climate stress areas' in its recent National Adaptation Plan (NAP). Despite this, CHT, which is a biodiversity hotspot, plays a crucial role in providing essential ecosystem services for economic development, environmental protection, and human wellbeing, both within the region and downstream. The region remains one of the country's most disadvantaged regions, lagging in various development indicators.[2] **This project, known as 'Green, Resilient, and Adaptive CHT Economy (GRACE)-LoCALplus', addresses adaptation investment deficits in hazards, vulnerability, and exposure in the hilly regions of CHT through innovative financing that rewards local government authorities for their performance. Applying principles of fiscal decentralization, it promotes access to climate finance by local government authorities for locally led climate action, building on the experience of the LoCAL (Local Climate Adaptive Living) Facility,** the standard mechanism designed and managed by the UN Capital Development Fund (UNCDF), which promotes climate-change-resilient communities and local economies. The LoCAL Facility operates in 38 countries, including Bangladesh, with a focus on Least Developed Countries (LDCs).[3]

Overview of the project country and context: Bangladesh and the Chattogram Hill Tracts

Bangladesh ranks the 7th most climate-vulnerable country on the Global Climate Risk Index.[4] At the same time, the country has experienced rapid socioeconomic development over the last five decades since its independence, and Bangladesh has been a leader in adaptation and disaster risk management. These successes bolster the country against uneven shocks such as climate change and pandemics such as COVID-19 but also reiterate the need for proactive and robust adaptation investments, particularly to safeguard the continued potential of sustainable development. However, this development is not uniform across the country. Chattogram Hill Tracts (CHT), located in southeastern Bangladesh, is lagging on several fronts. CHT, bordering India and Myanmar, is Bangladesh's main hilly area, divided into three districts: Bandarban, Khagrachari, and Rangamati (**Figure 1**). The region has a rich history and is home to various Indigenous tribes. The British East India Company annexed and integrated it into the Chattogram District in 1860. After Bangladesh's independence in 1971, tensions arose between the

[1] World Bank. (2022). Key Highlights: Country Climate and Development Report for Bangladesh. http://cuts2.com/AyuII
[2] Tripura and Rasul. (2016). Achieving the Sustainable Development Goals in CHT – Challenges and Opportunities https://lib.icimod.org/record/32373
[3] Bangladesh is scheduled to graduate from the LDC list by 2026: http://cuts2.com/lVJwN
[4] Global Climate Vulnerability Index (2021), developed by GermanWatch. http://cuts2.com/rInfD

government and the Indigenous population over land rights, cultural autonomy, and self-governance, leading to the CHT insurgency from 1975 to 1997. The conflict concluded with the signing of the CHT Peace Accord in 1997.

Due to its rich diversity and unique geography, CHT has vast potential for niche products and services such as agro-eco tourism, sustainable agriculture value chains, non-timber forest-based products, handicrafts, and *jhum* farming practices – also known as shifting agriculture, which incorporates slash and burn and relocating to another plot when soil productivity declines. However, CHT is particularly vulnerable to the impacts of climate change (as described below) and is highlighted in Bangladesh's National Adaptation Plan (NAP) as one of eleven targeted climate stress areas of the country. CHT will require actions to reduce hazards (e.g., ecosystem-based measures to reduce flooding or droughts), vulnerability (e.g., livelihood diversification or hazard-proof infrastructure), and exposure (e.g., early warning systems and evacuations). **The area currently lags in adaptation action compared to the rest of the country. To prepare for a 2-degree-plus world, a shift from incremental to transformational adaptation is necessary.**

Figure 1: Different climate hazards in Bangladesh, with project area outlined in black, showing hazards of Flash Flood-Drought (Source: Asian Development Bank, 2021)

The **GRACE-LoCALplus** project will begin addressing adaptation investment deficits by targeting 15 district sub-units or 'Upazilas' in the CHT region (Alikadam, Baghaichhari, Dighinala, Kaptai, Kawkhali, Khagrachhari, Lakshmichhari, Mahalchhari, Manikchhari, Matiranga, Naikhongchhari, Naniarchar, Panchhari, Rajasthali, Ramgarh). After the first two years, the project will expand to cover the remaining 10 CHT Upazilas that were initially covered by the Local Government Initiative on Climate Change (LoGIC), (Bandarban Sadar, Barkal, Belaichhari, Juraichhari, Lama, Langadu, Rangamati Sadar, Rowangchari, Ruma, Thanchi. LoGIC is a multi-donor collaborative initiative of the Government of the People's Republic of Bangladesh (GoB), United Nations Development Programme (UNDP), UNCDF, European Union (EU), Sweden and Denmark. It aims to 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.

Observed climate and environmental resources in Bangladesh and the CHT

Climate baseline.[5] Historically, Bangladesh's average temperatures ranged between 15°C and 34°C, with an average of around 26°C throughout the year. However, temperatures have risen significantly, especially in the past three decades.[6] The CHT region also experienced similar trends, with uneven seasonal changes, a shrinking winter season, and rising summer temperatures.

[5] World Bank. (2021). Climate Change Risk Profile: Bangladesh. http://cuts2.com/GHtfc
[6] Government of the People's Republic of Bangladesh – Ministry of Environment, Forest, and Climate Change (2022). NAP (2023-2050).

Bangladesh's warm and humid climate is influenced by pre-monsoon, monsoon, and post-monsoon circulations, leading to heavy precipitation and tropical cyclones.[7] Annually, the country receives about 2,400 mm of rainfall, with 70% occurring during the monsoon from July to September.[8] In recent decades, winters have become drier while monsoons have become wetter, and extreme rainfall events have increased in frequency. Flash floods and landslides pose significant risks, causing damage to communities and economies. Twelve flash flood events occurred in CHT between 1985 and 2015.[9] For example, a 24-hour rainfall of 408mm in Chattogram occurred in 2007,[10] and a flash flood in 2015 affected around 1.8 million people in the CHT region.[11] Lightning events have claimed around 368 lives annually over the past six years,[12] with higher occurrences in hilly areas.[13] Additionally, since 1990, more than 30 landslides have resulted in approximately 200 deaths and extensive economic losses.[14]

Environmental resources: The country's warm and wet tropical climate allows for a rich diversity of flora and fauna. CHT has a mountainous, rugged terrain with deep forests and lakes, providing a divergent character compared to the rest of the country. A large part of CHT is a forest with a unique ecosystem.[15] CHT is a biodiversity hotspot: the area possesses over 2000 species of flowering plants and a variety of flora and fauna – including endangered or threatened species such as the Asian giant tortoise, the North-eastern Water Skink, and the Indian leopards – although it has experienced denudation and land degradation, which have impacted the provisioning of ecosystem goods and services.[16] Bangladesh has a history of exposure to various climatological (e.g., drought), hydrometeorological (e.g., cyclones, floods, storm surges), and geophysical (e.g., landslides, erosion) hazards. In the CHT, specific hazards include rainfall variability, flash floods, tropical cyclones, storm surges, and drought. Recent years have seen damages from landslides (2.4%), droughts (3%), and lightning (7.2%)[17]. From 2016 to 2021, average losses and damages in CHT reached BDT 11.5 billion, primarily driven by climatic stresses.[18] Climate change is expected to exacerbate climate hazards, necessitating significant adaptation interventions to mitigate increasingly damaging impacts.

Projected climate change and impacts in Bangladesh and the CHT

Global climate change is impacting temperature, evapotranspiration, and precipitation patterns. Using secondary sources from the World Bank (WB) and the Asian Development Bank (ADB), this section highlights key trends in these aspects. By using Representative

[7] World Bank. (2021). Climate Change Risk Profile: Bangladesh. http://cuts2.com/GHtfc
[8] Government of Bangladesh – MoEFCC. (2022). NAP of Bangladesh (2023-2050).
[9] Ibid.
[10] Ibid.
[11] Adnan et al. (2019). The use of watershed geomorphic data in flash flood susceptibility zoning: a case study of the Karnaphuli and Sangu River basins of Bangladesh. In: Government of Bangladesh – MoEFCC (2022). NAP of Bangladesh (2023-2050).
[12] Bangladesh Bureau of Statistics. (2022). BBS. Key findings and detailed tables on Bangladesh Disaster-related Statistics 2021: Climate Change and Natural Disaster Perspectives. In: Government of Bangladesh – MoEFCC (2022). NAP of Bangladesh (2023-2050).
[13] Holle, R. L., Dewan, A., Said, R., Brooks, W. A., Hossain, M. F., & Rafiuddin, M. (2019). Fatalities related to the lightning occurrence and agriculture in Bangladesh. In: Government of Bangladesh – MoEFCC (2022). NAP of Bangladesh (2023-2050).
[14] Government of Bangladesh – MoEFCC. (2022). NAP of Bangladesh (2023-2050).
[15] Ibid.
[16] Khan, M.H. (2001). Biodiversity. In Nishat, A. Ullah, M., Haque, A. K. E (eds.) Bangladesh Environmental Outlook. Centre for Sustainable Development.
[17] Bangladesh Bureau of Statistics. (2022). BBS. Key findings and detailed tables on Bangladesh Disaster-related Statistics 2021: Climate Change and Natural Disaster Perspectives. In: Government of Bangladesh – MoEFCC (2022). NAP of Bangladesh (2023-2050).
[18] Ibid.

Concentration Pathways (RCPs), it is possible to capture assumptions about the economic, social and physical changes to the environment that will influence climate change; such scenarios can then be used to model possible future climate evolution. Climate projections are downscaled to around 1-kilometre grid level for representative concentration pathways (RCPs) 4.5 (intermediate scenario) and 8.5 (worst-case scenario) based on regional climate models (RCMs) with a 50-kilometre resolution, which were derived from global climate models (GCMs).

Bangladesh ranks the 29th most vulnerable country globally, according to the Notre Dame Global Adaptation Initiative (ND-GAIN) Country Index.[19] It also ranks 167th in readiness to adapt to climate change. In such a climate-vulnerable context, understanding the trends and patterns of these changes and their impact on society and the environment is crucial.

Temperature: The downscaled models show a consistent warming trend, varying by the country's emissions scenarios. From 1977 to 2008, average, daily maximum, and daily minimum temperatures rose by 0.16°C, 0.2°C, and 0.12°C per decade.[20] The Berkeley Earth dataset indicates a temperature rise of 1.03°C in Dhaka from 1900–1917 to 2000–2017, with the most substantial rise during the monsoon season.

Precipitation: Bangladesh's NAP projects rainfall variations due to future climate change, ranging from 0.1–1.4% in the 2030s and 2.4–3.5% in the 2050s. CHT will experience even higher rainfall and the highest climate-change-induced rainfall variability in the country. Climate change is expected to increase monsoon and post-monsoon rainfall in the hilly region by 5–10%, posing higher landslide risks for vulnerable areas. According to the ADB, **RCP 4.5** predicts CHT to receive the highest precipitation in the country from 2011 to 2050, affecting flash floods, soil runoff, and vulnerable populations. **RCP 8.5** projects increased rainfall in the northeast districts of Bangladesh and CHT. Projected climate trends and local vulnerabilities will result in uneven impact, risks, and exposure. The IPCC Sixth Assessment Report (AR6)[21] confirms Bangladesh's high risk of climate-induced extreme events, affecting individuals' food security, livelihoods, health, and overall well-being. CHT is expected to experience changes in precipitation patterns, leading to increased flood risks, crop damage, and soil erosion.

Bangladesh relies heavily on transboundary rivers for freshwater, but recent analysis shows a water deficit with reduced water reaching the groundwater layer. Climate change has increased river flow, leading to frequent flash floods and droughts during the dry season. Community efforts are required to manage waterlogging, drainage issues, water scarcity, poor water quality, and heightened salinity. Agriculture is adversely affected, causing decreased crop outputs, shifting pest risks, and production losses. Coastal flooding poses a significant threat to rice agriculture. Local governments and communities need assistance adapting to changing crop yields, pest infestations, disease outbreaks, and water scarcity affecting irrigation. Extreme weather events impact biodiversity and ecosystems, disrupting interactions between organisms, altering migration patterns, and harming flora and fauna. Adaptation support is crucial to address these challenges. These climate change effects pose significant risks to the CHT region's health, livelihoods, resources, and cultures.

[19] The Notre Dame-Global Adaptation Index (ND-GAIN) Country Index is a free opensource index that shows a country's current vulnerability to climate disruptions. ND-GAIN brings together over 74 variables to form 45 core indicators to measure the vulnerability and readiness of 192 UN countries from 1995 to the present.
[20] Ibid. Available at: https://unfccc.int/documents/192278
[21] Intergovernmental Panel on Climate Change. (2022). Working Group 11 – Impacts, Adaptation and Vulnerability. http://cuts2.com/pxpvo

Demographics and political context of Bangladesh and CHT

Demographics: Bangladesh has a population of 171 million and one of the highest population densities in the world.[22] There are about 45 distinct local tribal communities in Bangladesh, accounting for about 1.8% of the population, and the largest concentration is in CHT. *Chakma, Garo, Hajong, Khasi, Kuki, Manipuri, Marma, Munda, Mro, Oraon, Rakhine, Santal and Tripura* are some of the well-known *adivasi*/ethnic minority communities. **Figures 2** and **3** present the population pyramid and distribution of local tribal peoples in the CHT.

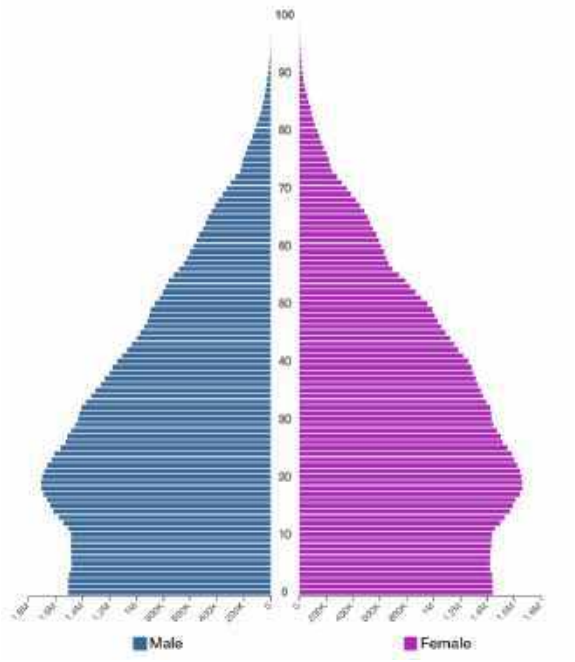

Figure 2: Population pyramid of Bangladesh (Source: World Population Review, 2021)

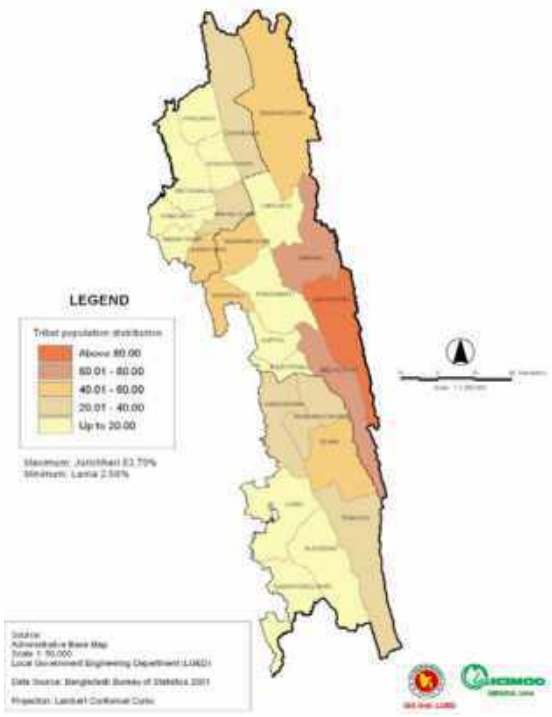

Figure 3: Distribution of the Indigenous population in the CHT (Source: ICIMOD, 2008)

Political context: The **GRACE-LoCALplus** project will collaborate closely with local government authorities (LGAs) in Bangladesh, given the recent trend towards decentralisation. The country's parliamentary representative republic has mandated power transfer to various local government bodies, including: *zila parishads* (ZPs) or districts (2000); *Upazila parishads* (UPs) or sub-districts (1998, amended 2009), union parishads (UnPs) (2009), *pourashavas* or municipalities (2009), and hill district councils (HDCs) (1989). The Ministry of Local Government, Rural Development and Cooperatives oversees local government affairs, except HDCs, which fall under the Ministry of CHT Affairs. The country's distribution of authority to local governments remains centralised, with limited fiscal independence. Local revenues come from property taxes, user fees, and external funding, particularly for urban infrastructure projects, reducing community and household involvement in setting agendas. LGAs face challenges due to limited functional and planning authority, inadequate technical and human resources, and financial constraints. Decentralisation has increased civic participation, resulting in more efficient service delivery in rural areas with active local involvement.

[22] World Population Review – Bangladesh. (2023). Bangladesh Population. http://cuts2.com/AvriJ

GRACE-LoCALplus will improve the climate change resilience of local communities due to intervening at this identified localised level (in the target UPs of the CHT) and funding adaptation activities through the Performance-Based Climate Resilience Grants (PBCRG) model and capacity development (CD) support. These grants will provide a financial top-up to cover the additional costs of making investments climate resilient and are channeled through existing government fiscal transfer systems (rather than parallel or ad hoc structures).

The GoB recognises that climate change severely threatens the country's sustainable development goals, the current performance in development indicators, and the future of Bangladeshis' livelihoods, safety, and security. Its NAP and Third National Communication to the UNFCCC (NC3)[23] identify the impacts of climate change in key sectors, such as agriculture, water resources, and ecosystems, wetlands and biodiversity, as priority concerns.

The MoEFCC coordinates all environmental matters and sets Bangladesh's climate change agenda. The government developed the Bangladesh Climate Change Strategy and Action Plan (BCCSAP) in 2009[24] and updated it in 2022 to integrate climate adaptation and mitigation with sustainable development. The National Adaptation Programme of Action (NAPA) was identified in 2009 to address climate change-induced development risks. The National Plan for Disaster Management 2021–2025 (NPDM)[25] is based on the Sendai Framework for Disaster Risk Reduction (SFDRR) principles. These strategies align with the Second Perspective Plan of Bangladesh 2021–2041,[26] the 8th Five-Year Plan (2019), and the Bangladesh Delta Plan 2100 (2018).[27]

Bangladesh has taken significant steps to address climate change, ratifying the Paris Agreement and updating its Nationally Determined Contribution (NDC) in 2016, 2020, and 2021. The country's efforts are supported by the Bangladesh Country Investment Plan for Environment, Forestry, and Climate Change (2016-2021).[28] Bangladesh also assumed the presidency of the Climate Vulnerable Forum (CVF) and the Vulnerable Twenty (V20) Group of Finance Ministers in 2020. It developed the Mujib Climate Prosperity Plan[29] to mobilise financing for renewable energy and climate resilience initiatives. CHT was identified by the GoB as one of the country's 'climate stress areas' in its recently released NAP 2023–2050, which also outlines adaptation priorities, and strategies for implementation, monitoring, and evaluation.

Gender, socioeconomic, and social inclusion in Bangladesh and CHT

Socioeconomic overview: Bangladesh is widely considered a pioneer among developing nations in poverty reduction and shared prosperity. However, CHT remains a disadvantaged region in Bangladesh.[30] National studies show that around 52% of the CHT population is below the poverty line, and 21% are multidimensionally poor, compared to

[23] NC3. (2018). Ibid. Available at: https://unfccc.int/documents/192278
[24] Bangladesh Climate Change Strategy and Action Plan (BCCSAP): http://cuts2.com/CtuOc
[25] National Plan for Disaster Management 2021 – 2025: http://cuts2.com/YgZgR
[26] Second Perspective Plan of Bangladesh 2021–2041: http://cuts2.com/fqOOt
[27] Bangladesh Delta Plan 2100: http://cuts2.com/fqOOt
[28] Bangladesh Country Investment Plan for Environment, Forestry and Climate Change 2016 – 2021: http://cuts2.com/oYSdS
[29] Mujib Climate Prosperity Plan: http://cuts2.com/qaIkk
[30] International Centre for Integrated Mountain Development – ICIMOD. (2015). A Strategic Framework for Sustainable Development in the CHT of Bangladesh. https://lib.icimod.org/record/31134

32% and 18% in rural and urban Bangladesh. A socioeconomic survey[31] in the CHT showed around 62% of households in the region, irrespective of ethnicity, to be below the absolute poverty line in terms of daily calorie intake per capita (below 2,122 kcal) and 36% to be severely poor (below 1,805 kcal). The annual household income in CHT is around Bangladeshi taka (BDT) 66,000 (approximately USD 850), which is considerably lower than the national average for rural areas of BDT 84,000 (9pprox.. USD 1,080) as reported by the United Nations Development Programme (UNDP) and the Food and Agricultural Organization of the United Nations (FAO).

Non-income poverty is also higher in the CHT than in other parts of Bangladesh: Among the 64 ZPs in Bangladesh, 15 have been identified by the government as the most underdeveloped and deprived in terms of infrastructure, including roads, electricity, credit, education, health, water supply, and overseas employment. All three districts in the CHT region fall under this category. Bandarban, specifically, has the highest poverty levels among the CHT ZPs. The UPs of Ali Kadam, Naikkongchhari Rowangchhari, Ruma, and Thanchi in Bandarban are considered the most deprived areas in the country.

Water, Sanitation, and Hygiene (WASH) in CHT: Performance on human development indices, according to ICIMOD, also remains very disappointing in the CHT region, although Bangladesh overall has made considerable progress. CHT's access to safe drinking water is limited due to the area's topography. It is exacerbated by natural and climate-induced flash flooding in the region. Only 65% of people have access to safe drinking water in CHT, compared to 75% of rural people in Bangladesh. Furthermore, open defecation is still standard practice in many parts of CHT, which causes health and nutritional problems. The Bandarban and Khagrachhari ZPs rank near the bottom in almost all health and nutrition indicators. Due to geographical constraints, limited human resources, and medical facilities, many local people need access to essential health services and potable water. The prevalence of stunting, being underweight, and wasting among children under five is 42, 34, and 7%, respectively. The poor water and sanitation conditions compound the vulnerability of children to morbidity and mortality from diarrhea and other preventable water-borne diseases.

Gender and socioeconomic development in Bangladesh: The UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) was ratified by the GoB in 1984. Bangladesh's government has committed to taking the necessary measures to eliminate discrimination against women in all forms. The Constitution of Bangladesh (Articles 27, 28, 29, and 31) guarantees equality and non-discrimination on account of sex, religion, ethnicity, and place of birth to provide scope for affirmative action in favour of the "backward section of citizens". Article 24 promised to ensure religious freedom within a pluralist, national framework, and Article 28 (sections 1,2, and 3) ensures equality in all spheres of life between women and men. However, the *de jure* legislative frameworks depart significantly from the *de facto* realities of gender and socioeconomic development in Bangladesh, despite recent progresses in specific matrices. In Bangladesh, 20.6% of parliamentary seats are held by women, and 39.8% of adult women have reached at least a secondary level of education compared to 47.5% of their male counterparts. For every 100,000 live births, 173.0 women die from pregnancy-related causes; the adolescent birth rate is 83.0 births per 1,000 women aged 15–19. Female participation in the labour market is 36.3% compared to 81.4% for men. **Table 1** provides scores of three different UNDP composite indices: the Human Development Index (HDI), Gender Inequality Index (GII),

[31] Barakat, A; Halim, S; Poddar, A; Badiuzzaman, M; Osman, A; Khan, MS; Rahman, M; Majid, M; Mahiyuddin, G; Chakma, S; Bashir, S (2009) Socioeconomic baseline survey of CHT. Dhaka, Bangladesh: Human Development Research Center.

and Gender Development Index (GDI), as well as the World Economic Forum (WEF)'s Global Gender Gap Index (GGGI) as points of departure.

Table 1: HDI, GII, GDI, and GGGI scores of Bangladesh (Sources: UNDP, 2019 and WEF, 2022)

INDEX (SCALE, ORGANIZATION)	RANK (YEAR)
Human Development Index, out of 189 countries (UNDP)	133 (2019)[32]
Gender Inequality Index, out of 162 countries (UNDP)	133 (2019)[33]
Gender Development Index clustered with group (UNDP)	Group 4 (2019)[34]
Global Gender Gap Index out of 153 countries (WEF)	71 (2022)[35]

Gender and climate impacts in Bangladesh:

Increasing research shows climate-related impacts affect human populations across various areas including agriculture, food security, water management, and public health. People's coping strategies depend on socioeconomic status, sociocultural norms, access to resources, poverty, and gender. According to the World Bank, factors contributing to gender differences in vulnerability to climate change include time use, access to assets and credit, treatment by formal institutions, limited participation in policy discussions, and lack of sex-disaggregated data. Overall, gender and social inclusion trends in the country contribute to these disparities, as highlighted in the World Economic Forum's Global Gender Gap Report[36].

Micro-level studies highlight that women are more vulnerable than men to short-term climatic events and climate-induced changes (e.g., sea level rise, salinity intrusion, land erosion, drought) due to existing inequalities. Social norms and family responsibilities reduce women's survival chances during rapid-onset climate events. In cyclone-prone areas of southern Bangladesh, women expressed reluctance to use shelters without a male relative. Climate variability poses specific challenges for women and adolescent girls, including limited sanitation facilities, increased violence, and additional fuel and water collection burdens.

According to data from the International Union for Conservation of Nature (IUCN), women play a crucial role in food production in Bangladesh. Poverty, women's empowerment, and male migration have led to the systematic "feminisation" of the agricultural labour force. By 2008, 66% of women participated in agricultural activities, constituting 45.6% of the total farming population. Without male counterparts, women's roles shifted from unpaid family workers to farm managers. However, climate change has added more responsibilities for women, making their tasks increasingly challenging as they must manage both farming and household subsistence production.

[32] Bangladesh ranks 133rd out of 189 countries and territories in the medium human development category, with an HDI value of 0.632 in 2019. During the period from 1990 to 2019, Bangladesh's HDI value grew by 60.4%, rising from 0.394 to 0.632. http://cuts2.com/oTxbs
[33] Bangladesh has a GII value of 0.537, ranking it 133 out of 162 countries in the 2019 index. Ibid.
[34] The 2019 female HDI value for Bangladesh is 0.596 in contrast with 0.660 for males, resulting in a GDI value of 0.904, placing it into Group 4. In comparison, GDI values for Nepal and Pakistan are 0.933 and 0.745. Ibid.
[35] In the GGGI report by the WEF, South Asia ranks the lowest among the eight regions, despite Bangladesh and Nepal leading in closing their gender gap. WEF (2022), available at: http://cuts2.com/DhnmV
[36] World Economic Forum (2022). Global Gender Gap Report 2022. http://cuts2.com/DhnmV

Overlapping vulnerabilities of local tribal peoples and gender in CHT:

Climate change impacts are evident in the least developed and developing nations' social, economic, and political spheres, resulting from overlapping vulnerabilities, including gender and social inclusion/exclusion factors. In CHT, socioeconomic hardships are concentrated among local tribal communities, making them more vulnerable to extreme weather events due to their reliance on climate-sensitive areas and natural resources for survival. Social exclusion and limited access to fundamental rights further increase their susceptibility to climate-induced disasters, exacerbating socio-economic challenges and threatening their livelihoods, health, and cultural practices.

Relevant policies on gender and climate change: Bangladesh has progressively included these issues in its climate change policies and has recognised the differential impact of climate drivers on social groups, including women and local tribal communities. One of the Transformation Pillars under the BCCSAP (2022) is: Education, Gender, and Inequality. The BCCSAP further recognises that ecologically critical areas – such as the CHT – often face gendered and local tribal vulnerabilities. With support from the IUCN, the MoEFCC also produced a Climate Change Gender Action Plan that can be updated and used along with Bangladesh's existing plethora of policies.[37] The Gender Policy (2016) of the Department of Environment, housed within the MoEFCC, aims to create a gender-sensitive organisation. Gender has also been included as a cross-cutting factor in national climate vulnerability assessment frameworks, indicating that Bangladesh is poised to expand its current portfolio of adaptation actions towards gender-responsive programmes and activities.

This project can facilitate local access to critical adaptation investment in this context, enabling the application of locally appropriate climate-resilient knowledge. It will capitalise on opportunities for gender mainstreaming and socially inclusive practices led by local tribes and implemented by LGAs.

[37] Government of Bangladesh. (2013). Climate Change and Gender Action Plan. http://cuts2.com/CudAa

Project/Programme Objectives
Theory of change:

The overall objective of the GRACE-LoCALplus initiative is to strengthen the climate resilience of vulnerable hill communities, with a special focus on empowering women and local tribal communities alongside ecosystems, and economies in the CHT. The proposed project is based on the logic that **if** communities (particularly women and local tribal groups) and local government systems in the CHT region of Bangladesh have a better capacity to manage climate change adaptation activities and have increased access to financing to implement climate adaptation activities locally, **then** communities, ecosystems and economies in the CHT region will be more resilient to climate change.

The scale and complexity of climate change and its effects on communities require targeted and sustained interventions to reverse existing trends and address the environmental, climate change and socio-economic challenges. The theory of change (TOC) is based on the understanding that local governments and the communities in CHT are best placed to understand the diversity and complexity of local social, economic, and ecological systems and thus to identify bespoke solutions and concrete climate change adaptation actions that address climate vulnerabilities in their own contexts. While local governments typically have the mandate to undertake the small- to medium-sized adaptation investments required for building climate resilience, they do not necessarily have the technical and financial resources to do so – particularly in a manner that would achieve lasting changes aligned with established local decision-making processes and planning, budgeting, and budget execution cycles. Therefore, the project will systemically address this challenge paving the way for lasting changes.

The GRACE-LoCALplus project will follow a two-pronged approach – (i) enhancing the capacity of local governments and vulnerable communities to build resilience to climate change impacts, and (ii) enhancing country systems to access climate finance and deliver on locally led adaptation efforts.

This approach will ensure continuation of climate adaptation work after the funding from the project ends, while contributing to Bangladesh's climate resilience plans, policies, and strategies. To improve understanding of climate change trends and impacts, GRACE-LoCALplus will generate and utilise data and evidence to inform and support adaptation strategies, and involve local governments and communities to identify hazards, vulnerabilities and risks. The project will support the development of a package of good practices or 'basket' of options (adaptation activities). It will assist local governments and communities in the selection of suitable adaptation options while channelling financing to implement climate adaptation at the local level in target districts through the engagement of specific population groups in activities focused on adaptation and reducing climate-related risks. The project is designed to be locally led so that communities and local governments can develop and implement climate adaptation activities tailored to the local context and to maximise the project's sustainability. Furthermore, it is designed to align seamlessly with Bangladesh's climate resilience plans, policies, and strategies, thereby contributing significantly to the nation's overall climate resilience framework.

The project's TOC – the representation of causal pathways necessary to bring about the desired outcomes, co-benefits, and impacts – is in Annex 1. The TOC includes activities that support outputs and outcomes, as well as the barriers, risks, and underlying assumptions.

The project's outcomes and outputs are outlined below:

Outcome 1: Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts:

- **Output 1.1:** Data and evidence on local climate risks to inform local decision making.
- **Output 1.2**: Capacity building of local governments and communities delivered (on the-the-job training, workshops, accessible knowledge products).
- **Output 1.3:** Local government plans and Local Adaptation Actions Plans developed and updated for the selected Upazilas.

Outcome 2: Enhanced country systems to access climate finance and deliver locally led adaptation:

- **Output 2.1**: Annual programmes of adaptation for targeted Upazilas
- **Output 2.2:** Locally led climate adaptation interventions and investments
- **Output 2.3:** PBCRG system for local-level action, including M&E and reporting

Project/Programme Components and Financing:

Table 2: Project components, expected outputs and outcomes, and financing

Project Components	Expected Concrete Outputs	Expected Outcomes	*Amount (USD)*
1. Capacity building and mainstreaming Climate Change Adaptation (CCA) into local government systems for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism	1.1. Data and evidence on local climate risks to inform local decision making 1.2. Capacity building of local governments and communities (on the-the-job training, workshops, accessible knowledge products) 1.3. Updated local government plans and Local Adaptation Plans of Actions for the selected Upazilas	Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts	2,973,940
2. Grant facility and PBCRG mechanism for adaptation intervention	2.1 Annual programmes of adaptation for targeted Upazilas. 2.2. Locally led climate adaptation interventions and investments 2.3. PBCRG system for local level action, including M&E and reporting.	Enhanced country systems to access climate finance and deliver locally led adaptation	5,367,015
3. Project/Programme Execution cost (9.5% of the total Project/Programme Cost)			875,570
4. Total Project/Programme Cost			9,216,525
5. Project Cycle Management Fee charged by IE (8.5% of the total Project/Programme Cost			783,405
Amount of Financing Requested			9,999,930

Projected Calendar:

Table 3: Milestones (60 months)

Milestones	Expected Dates
Start of Project/Programme Implementation	June 2024
Mid-term Review (if planned)	June 2026
Project/Programme Closing	Dec 2029
Terminal Evaluation	Feb 2030

PART II: PROJECT / PROGRAMME JUSTIFICATION

A. Describe the project/programme components, particularly focusing on the concrete adaptation activities of the project, and how these activities contribute to climate resilience. For the case of a programme, show how the combination of individual projects will contribute to the overall increase in resilience.

This project aims to strengthen local economies and enhance climate resilience through additional climate change investments and capacity-building support at various levels. Known as 'Green, Resilient, and Adaptive CHT Economy (GRACE)-LoCALplus', the project builds on the global implementation of the Local Climate Adaptive Living (LoCAL) mechanism (also referred to as LoCAL Facility) and the experience from the LoCAL-Bangladesh Phase I (which piloted the PBCRG mechanism in three Union Parishads in Bangladesh) and its Phase II, under the Local Government Initiative on Climate Change (LoGIC) in 72 UP across seven districts (Bagerhat, Barguna, Bhola, Khulna, Kurigram, Patuakhali, Sunamgani) of Bangladesh[38], which provided PBCRGs for climate-resilient investments.

GRACE-LoCALplus will scale up this mechanism in CHT, covering multiple NAP sectors. Given that LoGIC is already active in ten UUpazilas in the CHT region until 2025, GRACE-LoCALplus will roll out activities in the remaining fifteen Upazilas over the first two years of the project, then expand to build on LoGIC's work in the ten LoGIC Upazilas in the last three years of the project.

The LoCAL Facility, managed by the UN Capital Development Fund (UNCDF), provides a standard and internationally recognised country-based mechanism for channelling climate finance to local authorities in developing countries. It combines PBCRGs, offering financial top-ups for climate change adaptation (which ensures programming and verification of climate change expenditures at the local level), with technical and capacity-building support. The PBCRG acts as an earmarked cross-sectoral grant, incentivising enhanced resilience by attaching conditions to its funding that ensure use of funds for climate change adaptation beyond business as usual. Combined with regular grant allocations, PBCRGs enable 100% of sector investments to become climate resilient. They include minimum conditions, performance measures, and a menu of eligible investments. This LoCAL approach is shown in **Figure 4**. Recognising that solutions must be tailored to mountain communities, the investment menu will focus on mountain-specific adaptation measures that align with activities proposed in Bangladesh's NAP, the current Five-Year Plan and other plans and policies outlined in Section D. LoCAL supports the

[38] Overview of LoGIC can be found here: http://rb.gy/8ot82

Paris Agreement, promotes NAP implementation, and contributes to climate-related SDGs through concrete action at the subnational level. Currently, LoCAL engages 38 countries (30 LDCs, 8 SIDS, and 27 African nations). Global program results can be accessed in LoCAL's final report on second period of global expansion 2019–2022: realizing demand with standard and scalable locally led action[39]. LoCAL typically operates through three phases based on the country's context.

- Phase I – Piloting consists of initial scoping and testing in two to four local governments. Phase I countries include Burkina Faso, Tunisia, Senegal, Lao PDR, Malawi, Nepal, Solomon Islands, and Tuvalu. Tanzania, Mali and Uganda are preparing to enter Phase II.

- Phase II – Learning occurs in a country's 5–10 local governments. It involves collecting lessons and demonstrating the LoCAL mechanism's effectiveness act a larger scale. The Gambia, Ghana, Lesotho and Niger are in Phase II.

- Phase III – Scaling-up – the national roll-out of LoCAL based on the results of previous phases and lessons learned (Bangladesh, Mozambique, Benin, Cambodia, and Bhutan are currently transitioning to or are already in the third phase). During this phase, LoCAL is gradually extended to all most at risk local governments and becomes the national system for channeling adaptation finance to the local level. This is the phase Bangladesh is preparing to enter

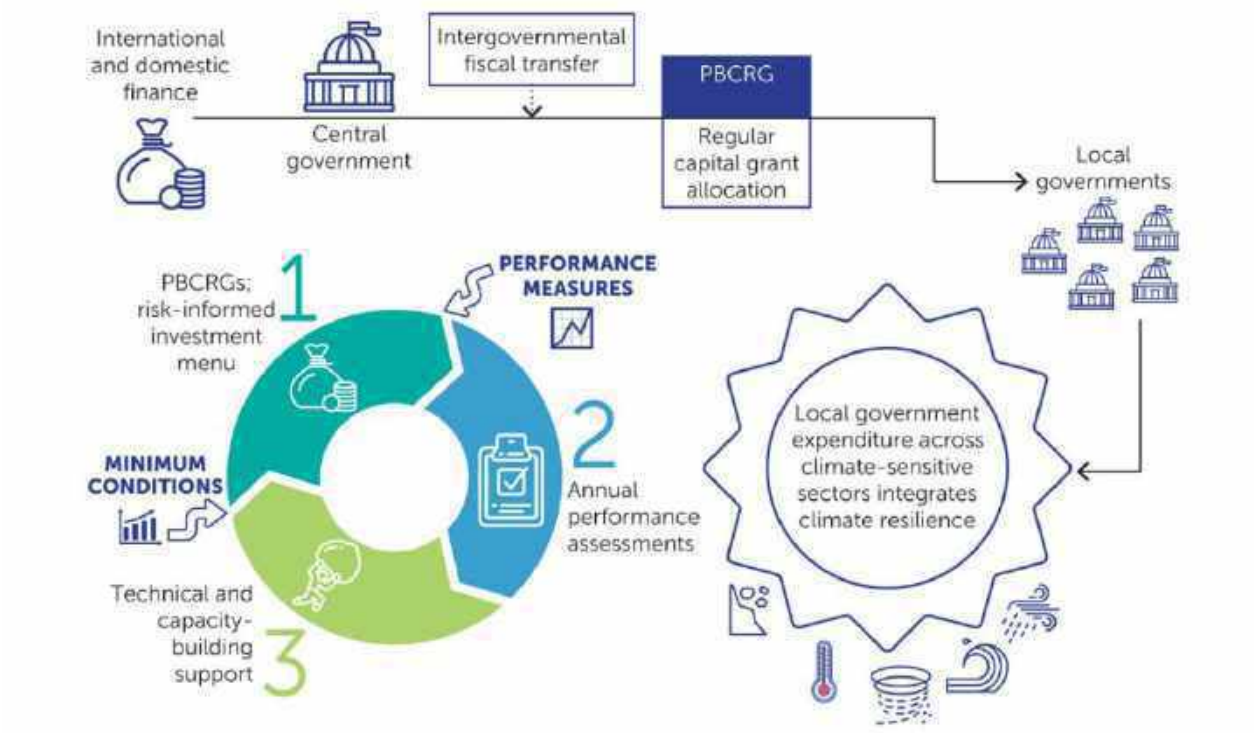

***Figure 4**. Performance-Based Climate Resilience Grant Cycle*

The project will therefore enable on-granting by the Ministry of Local Government, Rural Development, and Cooperatives of Bangladesh to Upazila-level LGAs using the LoCAL mechanism. The on-granting is based on local climate change needs and performance

[39] UNCDF. (2023). LoCAL final report on second period of global expansion 2019–2022: realizing demand with standard and scalable locally led action https://www.uncdf.org/article/8328/local-report-2019-2022

measures for building resilience. The PBCRGs will be allocated to Upazilas in the three target districts of CHT according to their approved annual allocations, determined through the yearly assessment of LGAs. By incorporating performance metrics that involve the active participation of vulnerable groups, including at least 50% women and marginalised ethnic groups, the decision-making process for sub-projects ensures that financial flows have a significant impact on the most vulnerable communities at the local level.

The project will contribute to Bangladesh's ability to operationalise Phase III. GRACE-LoCALplus also aligns with key government documents (e.g. National Adaptation Programme of Action (NAPA) that have been recently published by the GoB, ensuring alignment with local communities' needs and government priorities. This includes the 2022 NAP for Bangladesh, which incorporates locally specific proposed adaptation interventions that will form the investment menu for this project, and the Climate Vulnerability Index prepared by MoEFCC that will be used for the PBCRG allocation. It will allocate PBCRG through Upazilas, strengthening technical departments at this level. Additionally, CHT District Councils will play a crucial role in planning and monitoring, further empowering local governments in climate change adaptation.

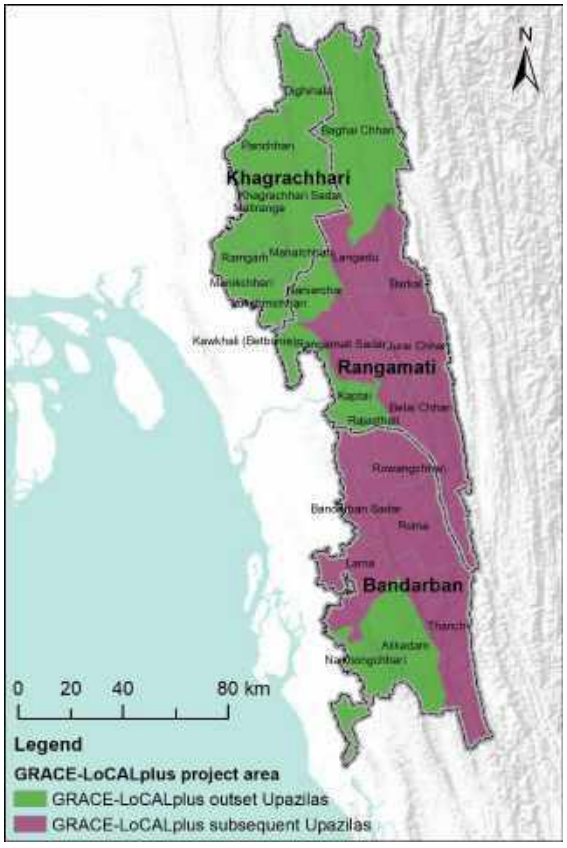

***Figure 5**. GRACE-LoCALplus project area*

The project's beneficiaries include Upazilas in Bandarban, Khagrachhari, and Rangamati districts, along with their communities, especially marginalised ethnic groups. Various stakeholders, such as government leaders, officers, administrators, cooperatives, micro, small, and medium enterprises, civil society organisations, and other community stakeholders, will also benefit. PBCRGs play a vital role in engaging stakeholders for resilience initiatives and financing at sub-national and local levels, aiming to reduce vulnerabilities in finance and capacity for LGAs and communities. Women-led groups are encouraged to participate in funding requests, proposal development, review, and decision-making in collaboration with district LGAs. The project aims for active participation by at least 50% of women at all levels and throughout all phases (See Annex 2 for more details on the gender assessment).

GRACE-LoCALplus will start by targeting the following 15 Upazilas (Figure 5) from the outset of the project: Alikadam, Baghaichhari, Dighinala, Kaptai, Kawkhali, Khagrachhari, Lakshmichhari, Mahalchhari, Manikchhari, Matiranga, Naikhongchhari, Naniarchar, Panchhari, Rajasthali and Ramgarh. During this time, the LoGIC project will still be covering the remaining ten Upazilas in the CHT (from 2023–2025). Following the first two years of the project, the GRACE-LoCALplus project will then expand to cover the additional 10 Upazilas that were initially covered by LoGIC (Barkal, Bandarban Sadar, Belaichhari, Juraichhari, Lama, Langadu, Rangamati Sadar, Rowangchari, Ruma and Thanchi,). LoGIC is expected to pave the way for GRACE-LoCALplus to offer deeper and more broad support across the CHT region.

Component 1. Capacity building and mainstreaming Climate Change Adaptation (CCA) into local government systems for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism

Component 1, which is particularly aligned with Outcome 3 of AF's Strategic Results Framework, will be delivered through three different outputs:

- **Output 1.1.** Data and evidence generated and shared on local climate risks to inform local decision making.

Understanding local climate risks demands gathering and sharing geospatial information on weather trends, vulnerable sectors, and potential impacts. This information helps visualise hotspots, prioritise adaptation, and empower communities to face the challenges of a changing climate. Within the vulnerable expanse of the CHT, this vital project aims to incorporate such geospatial information and data to pinpoint where the key problem areas lie. The imminent threats of landslides, floods, and other natural calamities need to be meticulously mapped, including thunderstorms forecast and landslides modelled to enable early warnings. Moreover, forecasting lightning strikes adds another layer to this digital information service to guard against the hazards of climate risks. The dissemination of this invaluable information through online maps, mobile SMS and interactive workshops aims to empower local communities with knowledge and resilience.

The following activities support the achievement of output 1.1:

Activity 1.1.1. Undertaking one multi-district climate risk and vulnerability assessment (CRVA) to inform the local adaptation and risk-informed planning and mainstreaming.

This activity will focus on conducting a comprehensive climate risk and vulnerability assessment (CRVA) across multiple districts, which aims to inform local adaptation planning and mainstream climate resilience into decision-making.[40] The assessment process will include customisation of tools for the CRVA and carrying out identification of existing and future climate risks, determinants of vulnerability and adaptive capacity of the people in selected districts. It will involve perception mapping of communities about climate risks and vulnerability as well as analysis of climatic data. The findings of the assessment will be shared with relevant stakeholders to sensitise them and provoke informed planning and mainstreaming. This activity also seeks to create a comprehensive picture of climate risks and vulnerabilities across multiple districts. Additionally, spatial land use planning will be carried out within priority settlement areas. It also aims to complement and integrate previous efforts made by the Government of Bangladesh, in particular the Risk Atlas and Hazard Map and the Climate Vulnerability Index.

Activity 1.1.2. Establishment of local information systems for adaptation (LISA) to complement the CRVA.

Aligned with the Climate Vulnerability Index, the LISA system will be established in target districts to help strengthen community resilience to climate change impacts by providing early warnings about extreme weather events. Notably, the system will provide warnings about extreme weather, such as thunderstorms and lightning, rainfall, floods and

[40] The CRVA will assess projected hazards, vulnerabilities, and exposure, in line with the IPCC framework, and will use the Upazila as a unit of analysis so each Upazila will be equipped with its own risk index and related data set. Each Upazila will further be accompanied to use the information to inform local planning and decision-making.

landslides. The system can be customised to each target district's specific needs and context, along with a web-based dashboard and information/data-sharing mechanisms of government agencies for early warning and disaster risk reduction.

- **Output 1.2.** Capacity building of local governments and communities delivered (e.g., on-the-the-job training, workshops, accessible knowledge products).

Building resilient communities in Bangladesh demands strong and knowledgeable local actors to overcome climate challenges, particularly in the climate-vulnerable CHT. Recognising this, Output 1.2 focuses on increasing capacities and climate awareness through workshops, hands-on training, and knowledge sharing so individuals and organisations acquire the skills and knowledge needed to effectively devise adaptation strategies. This multi-faceted approach builds awareness, improves preparedness, and fosters collaboration, paving the way for a resilient future. At the LGA level, representatives from various departments will participate in planning and monitoring, becoming lead trainers responsible for training community mobilisers and overseeing the implementation of PBCRG mechanisms (alongside the project team). Training sessions on social audits and fiduciary risk management will enable LGA representatives to report on locally led adaptation efforts, improving transparency and accountability. In addition to workshops and training sessions for communities and governments, component one will also include policy dialogues at local and national government levels for mainstreaming and policy influence. Knowledge generated from the project will be documented, archived and disseminated widely across the HKH.

The following activities support the achievement of output 1.2:

Activity 1.2.1: Awareness and sensitisation activities at local and national level on climate change and the role of local authorities in addressing climate change, through LoCAL (e.g., communication materials, social media, videos, stories, and workshops).

This activity aims to initiate widespread awareness and engagement with climate change at the local and national levels. It focuses on empowering and educating local authorities to play a vital role in addressing climate challenges. Local authorities will be supported to produce locally appropriate communication and awareness raising materials such as video documentaries, stories, and social media posts on climate change impacts and adaptation measures. A series of events like workshops, dialogues, and exposure visits will bring together local and national authorities about climate risks and sensitise them about their role in addressing climate change impacts. Similarly, awareness-raising and capacity-building sessions will be held for communities to impart knowledge on climate change and its impacts, adaptation solutions, and Nature-based Solutions. Under this activity, community mobilisers will be identified to support vulnerable households in implementing adaptation actions. The mobilisers will receive special training on community mobilisation.

Activity 1.2.2. Assessment of needs and capacity gaps in relation to key elements of the approach (e.g., CRVA, adaptation planning and mainstreaming, multi-criteria analysis for prioritisation and selection of adaptation interventions, gender, accountability and transparency, and environmental safeguards).

This activity evaluates the LoCAL approach needs and capacity gaps, prioritising critical aspects like CRVA, multi-criteria analysis, gender inclusion, accountability, and environmental sustainability. It goes beyond assessment, providing resources and training to empower communities. For instance, a landslide-affected community seeks improved early warnings; subsequent targeted training fosters resilient, gender-inclusive, and eco-

conscious strategies. Bridging these gaps lays the groundwork for impactful adaptation initiatives.

Activity 1.2.3: Capacity-building activities according to needs and capacity gaps identified (e.g., on-the-job learning; training sessions; technical assistance; coaching)

This activity will build the capacity of individuals and organisations with tailored skills and tools based on community assessments, as well as on the finding and recommendations of the annual performance assessments (under Outcome 2). Learning avenues include workshops, peer exchanges, knowledge-sharing platforms, technical guidance, and bespoke solutions. Prioritising sustainability and inclusivity, this activity bridges gaps, fostering community resilience and enabling proactive change. Recognising diverse needs, it celebrates targeted support, ensuring communities thrive amidst climate challenges, emphasising a personalised approach to resilience building.

- **Output 1.3** Updated local government plans and Local Adaptation Plans of Actions for selected Upazilas. The project focuses on developing and consistently updating Local Government Plans and Local Adaptation Plans of Actions (LAPAs) for selected Upazilas. These plans serve as crucial blueprints, reflect community-specific vulnerabilities and needs, addressing climate change challenges. Through engagement and assessments, these plans integrate diverse adaptive strategies. Regular revisions ensure responsiveness to evolving climatic dynamics, enabling proactive risk mitigation and enhancing adaptability within these localities to effectively combat the impacts of a changing environment.

The following activities support the achievement of output 1.3:

Activity 1.3.1. Review of CRVA findings and integration of climate change adaptation in local development planning and budgeting in a participatory and gender-sensitive manner.

Using the multi-district CRVA findings, and aligned with the Climate Risk Index, the project will support the LGAs to organise and analyse findings and ensure integration of the priorities of each Local Adaptation Plan of Action (LAPA) in five-year and annual development plans considering the localised context of climate vulnerability. A stakeholder validation process will be organised to ensure broad community consensus, awareness, and ownership over results. Part of the LAPA development process will be identifying needs-based community adaptation schemes in consultation with the project, focusing on ecosystem-based adaptation initiatives. These plans will then be mainstreamed into the local development planning process and regularly screened and updated against current and emerging environmental and climate risk priorities to improve climate-inclusive planning on an ongoing basis.

Component 2. Grant facility and PBCRG mechanism for adaptation intervention

Component 2, which is particularly aligned with Outcome 2 of the Adaptation Funds Strategic Results Framework, will be delivered through three different outputs:

- **Output 2.1:** Annual programmes of adaptation for targeted Upazilas identified in line with the PBCRG mechanism

This output focuses on tailored adaptation programs for the CHT Upazilas, considering their unique climate challenges. These programmes, built on local assessments and community needs, reinforce resilience against climate stressors like erratic rainfall and

landslides. Strategic interventions in agriculture, infrastructure, and forestry, customized for each locality, ensure sustainable growth and resilience amidst a changing climate.

The following activities support the achievement of output 2.1:

Activity 2.1.1. Costing, selection, and prioritisation of adaptation interventions and investments to be financed through the PBCRGs, in a participatory and gender-sensitive manner, using multiple criteria (i.e., climate risks; LGA capacities; programmatic synergies; geographic diversity; cost-effectiveness of proposed intervention)

This activity will support prioritization of annual adaptation initiatives from the LAPAs (under Output 1.3) through community participation, gender awareness, multi-criteria analysis, and final approval by Hill Districts Councils. Flood-prone Upazilas might choose flood-resistant infrastructure and drought-resilient agriculture, ensuring sustainability, inclusivity, transparency, and community ownership. The local population and particularly vulnerable and marginalised groups (women, girls, ethnic minorities, and local tribal groups) will be engaged in, and not just informed of, the needs analysis and the planning of the adaptation activities.

Under this activity, the project will determine formula-based grant allocation to Upazilas, weighted by specific parameters, including climate change vulnerability performance (CVI) and social and environmental safeguard considerations, in line with the ISO 14093 standard[41] and UNCDF operational manual for the PBCRG mechanism. The project will follow an **investment menu** (see **Table 4** below) of climate adaptation and resilience-related interventions, directly identified from Bangladesh's NAP and aligned with CHT priorities to address the local adaptation challenges. As part of the development of the NAP, appraisal, and prioritisation of identified interventions involved an in-depth analysis based on the Least Developed Countries Expert Group guidelines under the UNFCCC and these eight criteria: (1) Time of action based on the emergence of adaptation projects by the 2030s, 2041 or beyond following the development vision, (2) Climate change risk reduction potential or the effectiveness of adaptation, (3) Costs of adaptation, (4) Benefits of adaptation, (5) Robustness or flexibility of adaptation, (6) Gender and social inclusiveness potential, (7) Environmental friendliness and (8) Co-benefits socially and environmentally. Consideration will be given to the interventions highlighted as a priority during the district- and Upazila-level July 2023 Workshop Consultation. The project will cost, select, and prioritise interventions and investments to be financed in a participatory and gender-sensitive manner, using multiple criteria (see above) and in consultation with ministries involved in the project.

This LoCAL grant mechanism will target specific adaptation interventions, provide the resources to climate-proof investments in community-based adaptation and incentivise community-based engagement in adaptation. The PBCRGs will be aligned with the current system of fiscal transfers to LGAs, and finance adaptation schemes identified in the LAPAs through grants. The size of the grants could amount to between 40% and 50% of inter-governmental fiscal transfers, with an average amount per adaptation intervention of USD 50,000 (approximate amount depending on the context and intervention to be finalised during the proposal development phase), which will inform the number of grants to be provided – estimated at 100 grants. The size of the grant will be calculated according to a transparent allocation formula composed of (1) a basic allocation component to ensure predictability and promote equity and (2) performance elements to incentivise

[41] ISO 14093: a global standard for financing local adaptation to climate, developed using the methodology and experience from LoCAL, provides the requirements and guidelines for establishing PBCRGs. http://cuts2.com/QSawv

continuous performance improvement in enhanced adaptation. Local government will be selected based on a set of criteria, including administrative and management capacities as evidenced by past performance with the national system,[42] programmatic synergies with past or planned work, geographic diversity, and accessibility and feasibility.

Table 4: Investment menu: sector-wise proposed interventions in the CHT based on Bangladesh's NAP (pages 72–79) and predicted environmental benefits (interventions in bold were noted as a priority during July and November 2023 Workshop /Consultation)

Sl.	NAP Sector	Interventions	Predicted Environmental Benefits	Priority rank
1	**Water resources**	**Planned, participatory and coordinated land and water resources management**	Protection of valuable land and water resources, Sustainable spatial planning for a tourism site	1
2		**Community-based rainwater harvesting through indigenous techniques and conservation of wetlands, reservoirs and natural springs for drinking water supplies in hard-to-reach and water-stressed areas**	Wetlands will be conserved, natural springs and reservoirs will be less stressed and more protected.	3
3		**Drought management measures for enhanced groundwater recharge and increased soil moisture in water-stressed areas**	Groundwater will be allowed to recharge, and soil will become moister in stressed areas	9
4		Sustainable shoreline erosion management based on eco- or bioengineering measures	Prevention of shoreline erosion, shorelines are protected	NA
5		Development of a basin wide and participatory watershed management framework to restore, harvest and optimize the use of water resources	Water basins are preserved, and less stress is placed on water resources	NA
6	**Agriculture**	Extension of climate-smart technologies for increasing irrigation water use efficiency	Water resources are conserved and input under less stress	NA
7		**Extension of good agricultural practices, modern agricultural technology and sloping agricultural land technology (SALT)**	Protection of land resources and hills, prevention of landslides	5
8		**Increased fertiliser use efficiency for enhancing production**	Soil health is promoted	8
9		**Augmentation of surface water for irrigation and multipurpose use**	Conservation of water resources	10
10		**Crop diversification/intensification for natural resources optimization and reduction of climate stress**	Stress on land and soil are reduced, promotion of soil health	11
11		Farm modernization/mechanization to reduce climate vulnerability	Reduced emissions and pollution, promotion of soil health and less stress on land	NA
12		Extension of stress-tolerant, pest and disease-resistant rice and non-rice crops	Less stress placed on soil and water resources when crops are more resilient	NA

[42] Administrative and management capabilities include (at the start and during implementation of grant): LGA holds regular monthly meetings, adopts comprehensive annual plan and budget, does not hold adverse or disclaimer audit opinions, holds evidence of compliance with Government procurement rules, prepares bi-annual reports on the fiscal and activity progress on the implementation of the annual plan and budget, has spent more than 60% of the previous fiscal year PBCR grant in lined with investment menu and ACCAF.

Sl.	NAP Sector	Interventions	Predicted Environmental Benefits	Priority rank
13	Ecosystem, wetlands and biodiversity	**Revitalization of natural springs and sustainable management of waterbodies for reducing water scarcity, and the restoration and conservation of ecosystems and biodiversity**	Springs and bodies of water are conserved and protected, as are ecosystems and biodiversity	2
14		**Conservation of village common forests (VCFs) through community-based spring, watershed and agricultural landscape management, and soil conservation in the CHT**	Soil, water, and land resources are all protected and placed under less stress	4
15		**Combat desertification through planting regenerative indigenous species**	Soil is protected	7
16		**Conservation of agroecosystems through expanded agroforestry, good agricultural practices and regenerative agriculture**	Soil and land is protected	6
17		**Development of multifunctional hill and forest management and conservation system**	Hills and forests are protected	12
18		**Adopt other effective area-based conservation measures to fulfil the biodiversity framework target**	Promotion of biodiversity	13
19		**Development of a participatory wetlands management framework for the sustainable management of wetlands**	Wetlands protected	14
20		**Halda River ecosystem restoration and conservation**	Ecosystem and biodiversity are conserved.	15
21		Watershed management of Kaptai Lake for ecosystem resilience and water retention	Water resources are conserved and placed under less stress	NA

Activity 2.1.2. Support to target Upazilas for implementation of selected adaptation interventions and investments (including scheme design and estimates in collaboration with concerned government departments and private organizations experienced in related matters, procurement of contractors, and supervision of scheme implementation by Upazila parishad committees, handover of schemes to operation and maintenance committee).

The selected interventions will be implemented with active involvement from local communities, collaborating with concerned government departments and private organizations. This includes design, estimation, procurement, and supervision, ensuring sustainability and effective adaptation strategies.

- **Output 2.2:** Locally led climate adaptation interventions and investments are implemented

CHT-driven adaptation efforts will focus on traditional wisdom, blending modern and conventional sustainable practices and innovative idea, resilient infrastructure to tackle climate risks like erratic rainfall and landslides. Empowering communities through sustainable agriculture, disaster preparedness, and eco-friendly infrastructure ensures

effective adaptation, leveraging partnerships among government agencies, NGOs, and locals.

The following activities support the achievement of output 2.2:

Activity 2.2.1: Disbursement of PBCRGs to support the implementation of adaptation interventions and investments in the context of local authorities' annual planning and budgeting cycles.

The Performance Based Climate Resilience Grants (PBCRGs) in CHT will empower local authorities to integrate climate adaptation seamlessly into their annual planning and budgets. These grants fund tailored projects such as flood-resistant embankments, landslide mitigation and drought-resistant hill crops, aligning with local needs and budgets. Performance-based disbursement incentivizes effective implementation, fostering local ownership, accountability, and self-reliance. This approach constructs resilience into local frameworks, fostering collaboration and empowering communities for sustainable development amidst growing climate threats.

Activity 2.2.2: Annual performance assessments (APA) of the participating local authorities, including compliance with minimum conditions for the subsequent year, appraisal against the performance measures, and compliance with the menu of eligible investments.

The performance of LGAs will be assessed annually for compliance with mandatory requirements and appraisal against performance measures (see Annex 3), including climate change resilience actions and the LAPA priorities. This will include expenditure tracking, transparency and disclosure of plans and budgets, independent expenditure tracking, and post-audit by external auditors. The Upazila Standing Committee on Environment, Forest, and Climate Change will also monitor the mechanism's effectiveness and record community grievances. The LoCAL Steering Committee, led by the Senior Secretary/Secretary of LGD, will oversee the Mechanism. The committee will include representatives from relevant ministries and stakeholders, such as the Ministry of CHT Affairs (as these areas are targeted), Ministry of Environment and Forest, Ministry of Disaster Management and Relief, Ministry of Planning, and Ministry of Finance (MoF). Additionally, representatives from development partners contributing to LoCAL will be included, including ICIMOD and UNCDF. The Committee will meet at least twice a year to provide strategic guidance, adopt key policy recommendations, and advocate for their implementation. It will be responsible for consensus-based management decisions for the LoCAL-Bangladesh Facility when guidance is required, including approval of project plans and revision. The Committee will oversee its implementation, conducting regular field-level monitoring. GRACE-LoCALplus will integrate lessons learned into LAPA revisions and share them to inform policies and practices at national, district, and Upazila levels. Additionally, it will gather evidence to strengthen the evidence-based business case for local adaptation in Bangladesh, the HKH region, and globally.

Activity 2.2.3: Definition of the PBCRG allocations (formula-based) for the subsequent year and priority capacity-building interventions designed to address weaker performance areas identified under the APA.

Performance-Based Climate Resilience Grants (PBCRGs) in CHT will be allocated using a meticulous formula, ensuring fair resource distribution. This formula considers, inter alia, climate risks and vulnerability, past performance, and climate impact data, as well as gender and social vulnerabilities. Nevertheless, PBCRGs extend beyond funding,

addressing capacity gaps identified in Annual Performance Assessments (APAs) through tailored interventions like financial management and technical expertise training. This approach fosters a self-reliant CHT, promoting fair allocation and targeted support for improved climate resilience.

- **Output 2.3:** PBCRG system for local-level action, including M&E and reporting

The PBCRG system empowers CHT communities through tailored interventions and robust Monitoring and Evaluation (M&E). Continuous reporting triggers improvements, addressing weaknesses through targeted capacity-building. This cycle incentivizes learning and effective adaptation, guiding future allocations based on performance. To ensure that grants are used for climate actions and cost-effective, the following measures will be followed:

- A separate operations manual (OM) will be used to administer PBCRG by Upazilas. The OM will describe how the investment menu will be used for climate-adaptive public goods. It also indicates ineligible expenses for PBCRG funding.[43]
- Multi-layer fiduciary risk management manual will be applied to ensure transparency and accountability in planning, budgeting, monitoring, and reporting for local administrations

Local-level project facilitation will be deployed for monitoring and ensuring that investments are made in climate-adaptive activities.

The following activities support the achievement of output 2.3:

Activity 2.3.1: Reporting in line with UNCDF's Assessing Climate Change Adaptation Framework (ACCAF)[44] and related learning and sharing of good practices emerging from the experience.

Standardised reporting using the ACCAF ensures comprehensive project reporting, fostering global knowledge exchange and innovative solutions.

Activity 2.3.2: Policy advice and institutional strengthening of central entities in charge of local authorities, finance, and climate change (e.g., manuals, guidelines, regulatory environment).

In CHT, fostering resilience will require supporting the enabling environment alongside local action. Strengthening policy and institutions governing local authorities, finance, and climate change will be crucial. Comprehensive manuals and guidelines will provide officials with tools for efficient project implementation. Clear regulatory frameworks and updated approval processes will remove hurdles, while inter-ministerial collaboration ensures unified support. Capacity building through training programmes will ultimately empower officials to guide local efforts effectively. These measures represent investments in a resilient CHT, enabling communities to thrive amid climate challenges.

B. Describe how the project/programme provides economic, social, and environmental benefits, with particular reference to the most vulnerable communities and vulnerable groups within communities, including

[43] Ineligible expense for PBCRG funding includes salary costs, costs of water, electricity or maintenance of administrative facilities, vehicles of any type, procurement of administration equipment for Upazila Parishad, Union Parishads or technical departments, construction of administrative building of any type, religious facilities or activities, security facilities or operations costs of security services.
[44] ACCAF is a monitoring and evaluation framework that focuses on the adaptation aspects of the LoCAL mechanism. It helps ensure that the adaptation aims of LoCAL are being achieved http://cuts2.com/ySVAh

gender considerations. Describe how the project/programme will avoid or mitigate adverse impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.

Climate change has economic, social, gendered, and environmental impacts associated with irregularities introduced by temperature and precipitation patterns. This leads to flash floods, biodiversity loss, unpredictable microclimates, wet-bulb effects, and WASH issues in CHT and its constituent Ups.

Climate change has a severe, multi-fold impact on local tribal communities that rely on natural resources for their livelihoods.[45] This includes drying up of streams and wells, depletion of groundwater and wildlife, crop infertility, seedling mortality, and vulnerability to disasters like irregular and heavy rainfall, storm surge, soil erosion, and landslides. Climate change also leads to diseases like respiratory dysfunction, arsenic poisoning, skin diseases, and social competition for scarce natural resources.

The remote and underserved Upazilas where these groups reside are highly vulnerable to climate-related disasters, making humanitarian and recovery efforts challenging and costly. Women and girls are especially at risk due to traditional domestic roles, which involve climate-sensitive tasks like water and fuel provision, exposing them to location-specific climate dangers. The project aims to support these areas in target sectors prioritised in the NAP for the CHT region, focusing on water management, agriculture, and ecosystems, wetlands, and biodiversity. This will also consider Bangladesh's Eighth Five-Year Plan 2020–2025, and the Strategy for water resources in CHT, to ensure alignment and complementarity with ongoing governmental efforts. It will aim to generate economic, social, and environmental benefits for the target population through PBCRGs. The three districts' population in the CHT, based on the 2022 data, is included in Annex 4. GRACE-LoCALplus is expected to reach 15% of the targeted LGA population, including a proportion of marginalised ethnic and local tribal groups (see additional table in Annex 4 – overview of the population disaggregated by household, gender, and ethnic groups).

Economic benefits

The successful implementation of the two project components will include locally determined activities to contribute to climate-resilient economic growth. Since the most significant sector for the economy and workforce in CHT is agriculture, increasing agricultural productivity in a sustainable way is vital for the food security of local tribal communities. Since initial stakeholder consultations and ICIMOD engagement in the region have revealed particular needs in these areas, activities will focus on the proposed CHT-specific interventions from the country's NAP. Increased productivity in agriculture will lead to improved income generation and the strengthening of local economies in CHT, particularly through closing the productivity gap between women and men. Given that local tribal groups experience significant detrimental effects of climate change on their incomes due to their reliance on natural resource-based livelihoods, they also stand to gain significantly from activities that stimulate the economy in the CHT.

Since the Sub-district executive officer, or 'Upazila Nirbahi Officer' (UNO) and LGAs at the UP level are responsible for specific service provisioning, investments in water and other

[45] Atlas Institute for International Affairs. (2020). Impact of Climate Change on Indigenous Communities in Bangladesh. https://www.internationalaffairshouse.org/impact-of-climate-change-on-indigenous-communities-in-bangladesh/

public goods will help improve access to these goods by the population, thereby raising the region's performance on socioeconomic indicators. Sustained water availability through tailored investments, which has been an issue in CHT due to topographical difficulties, will enhance the health of women and men and overall households of local tribal communities. As water is embedded in the livelihoods of these regions, incomes will be improved. For example, through better provision of water, women and men in target Upazilas will benefit through increased sales of organic vegetables, food crops, and animal products. Solar-powered water-harvesting and sustainable irrigation technologies will enhance agriculture, allowing for diversified and higher-value crop production and making food systems more resilient to climate change. The renewable energy element will play a crucial role in the productive and sustainable use of agricultural and forest commodities throughout the value chain, contributing to climate change adaptation. This economic improvement will also help to meet the community's basic needs like food security, education, and medical care. Improved capacities of LGAs, facilitated by the UNO, will lead to increased local revenue and income from market income tax. This enhanced capacity will enable LGAs to access more financial resources for expanding climate change adaptation programmes. Furthermore, the local economy will be stimulated as LGAs collaborate with local contractors/SMEs to implement adaptation investments, generating local jobs in the green and tourism sectors.[46] The project's economic benefits will become evident as activities are planned in selected NAP sectors.

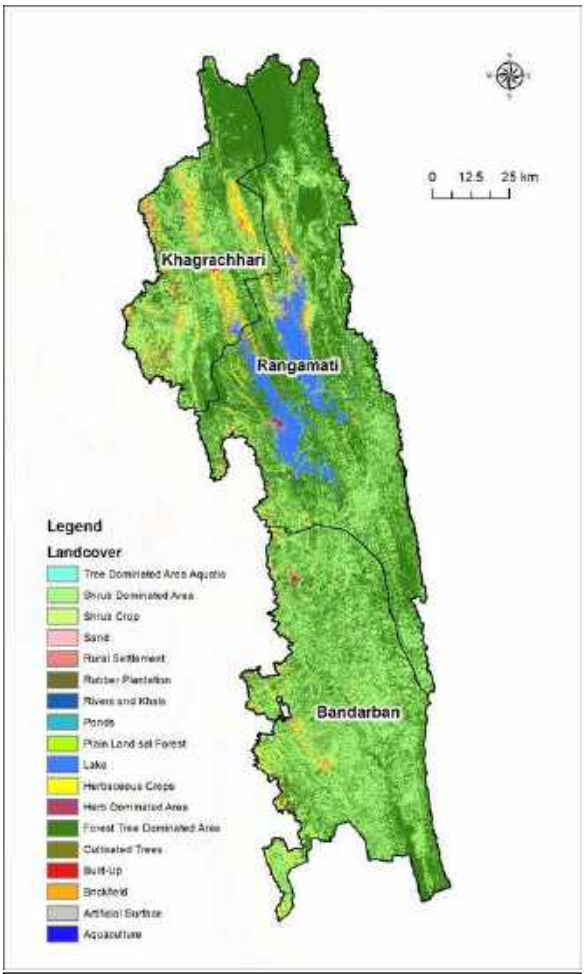

***Figure 6**: Land cover of the CHT (Source: ICIMOD)*

Environmental benefits

CHT comprises 10% of the total land area of Bangladesh and falls within the Indo-Burma Biodiversity Hotspot, which undoubtedly renders it the wealthiest biodiversity hotspot in Bangladesh.[47] However, due to limited governance coverage and the general remoteness of this region, the CHT remains the least explored area in Bangladesh. The CHT possesses unique characteristics and ecology as it is covered by Bangladesh's largest forest (43%). The mountainous, rugged terrain with deep forests and lakes gives it a divergent character compared to the rest of the country (**Figure 6**). Although horticulture is the primary source of livelihood, it has emerged as a threat to forest conservation efforts, creating a hard choice between livelihoods and conserving the natural ecosystem. This offers an opportunity

[46] ICIMOD. 2017. Tourism Destination Management Plan for the Bandarban Hill District, Bangladesh (2017 – 2027) https://lib.icimod.org/record/32764

[47] Preliminary Wildlife Survey of Sangu-Matamuhuri Reserve Forest, CHT, Bangladesh – Creative Conservation Alliance

to engage with communities on non-timber forest product cultivation, especially those that would allow for perishability-reducing value-added processes at the communal level. This builds on past ICIMOD experience and expertise. Providing adaptation investments to address climate change with improved livelihoods can prevent harmful deforestation practices, preserve the endemic natural ecosystems of CHT, and increase income.

While the investment menu has been cross-checked for environmental and social screening criteria to meet local, national, and international standards and guidelines, as well as the ESP of the Adaptation Fund, the nature of having more local engagement and input into the decision-making process of project formulation means that there are Unidentified Sub-Projects (USPs). These USPs will be formulated based on the investment menu and, therefore, on the NAP-proposed interventions, and will be applied to strengthen and complement the outcomes of other major project activities, or where there are clear benefits that we cannot anticipate *ex-ante*. More information on the risks of these activities is detailed in Part II Section K. All funded projects will be subject to and will follow Bangladesh's applicable social and environmental regulations. This will also be assessed as part of the annual performance assessments.

Social benefits

The proposed project will have several social and gendered benefits for the CHT. Interventions focused on agriculture, water, and ecosystem, wetlands and biodiversity provisioning will have numerous impacts on local communities in target districts. As discussed previously, CHT local tribal communities live in climate-sensitive areas and greatly depend on natural resources for their survival. Adverse climate change impacts and developmental deficits exacerbate their socio-economic challenges, impacting their livelihoods and health and, most importantly, threatening their traditional practices and cultural activities.[48] Because these groups are often socially excluded and especially vulnerable to the effects of climate change, they stand to gain the most from an intervention like GRACE-LoCALplus, socially and economically. The PBCRG system enables more active participation of project stakeholders in the project design and decision-making processes, and a key element of the performance requirements of the PBCRG is to include marginalised communities, women, and youth. As a result, marginalised tribal groups will gain new access to decision-making processes and local consultations they may not have been involved in before. The project will consider the unique needs of marginalised and vulnerable tribal communities by involving these groups in consultations, and targets will be set to ensure that they are actively participating in relevant project activities. Tribal groups will benefit from project activities like awareness, sensitisation and capacity-building activities and participation in the locally led climate adaptation interventions. Clear and transparent criteria will be implemented, including selecting participants for the training and workshops and ensuring equitable participation. Women in local tribal communities are often subjected to multiple levels of discrimination and abuse, which include issues of gender and minority communities.

Adaptation investments with gender and social inclusion considerations can yield robust results, crucial for sustainable development. For instance, improving water access in the

[48] UNDRR. (2022). The impacts of human-induced climate change are exacerbating social and economic inequalities of Indigenous Peoples – A case study from Bangladesh. http://cuts2.com/HZGjS

CHT can alleviate gendered time poverty in the region. [49] Given the lack of water safety (quality) and security (quantity), women often face inequitable gender-based allocation of unpaid domestic and care work, impacting their economic opportunities and health. Addressing these issues through project interventions, training, and adaptation strategies can enhance women's climate resilience and economic opportunities.

The project will make considerable efforts to ensure the inclusion of women, youth, and ethnic/local tribal and marginalised groups, in line with the SDG agenda of leaving no one behind and according to the Adaptation Fund policies. Young people are increasingly aware of the challenges and risks of the climate crisis and the opportunities to shift their trajectory towards sustainable development. They are also valuable contributors to climate action and are change agents, entrepreneurs, and innovators. Through education, science, and technology, youth are increasing their efforts and using their skills to accelerate climate action. The project will engage youth in various ways, including education, awareness, advocacy activities and campaigns, training and capacity building, and directly via adaptation activities focused on livelihood development, diversification, and income generation.

The project will ensure the equitable distribution of benefits to vulnerable communities, households, and individuals in the following ways:

1. Investment schemes are envisaged to be in hard-to-reach areas where vulnerable communities reside.
2. Participation of vulnerable communities will be facilitated in developing a Local Adaptation Plan of Action (LAPA).
3. Interventions will be public goods in nature where all members of a community will have access.

The project will apply gender mainstreaming and social inclusion best practices throughout the project, including developing specific interventions to advance gender equality and the empowerment of women and girls:

- Provisioning gender sensitisation workshops for project partners, including community leaders and government officials.
- Promoting youth engagement in climate action at the community level.
- Ensuring at least 50% women's participation in CCA meetings, dialogues, and decision-making.
- Ensuring participation of local tribal groups in relevant consultations, decision-making, capacity building, and other project activities that may be relevant to them.
- Capacity-building training focused on the specific needs and climate vulnerabilities of women and girls and local tribal groups.
- Promoting partnerships with microfinance and other grassroots CSOs active in the CHT.

[49] Time poverty can also be as the lack of enough time for rest and leisure after accounting for the time that has to be spent working, whether in the labor market, doing domestic work, or performing other activities such as fetching water and wood. See: Bardasi, E., Wodon, Q. (2010) "Working long hours and having no choice: time poverty in Guinea" in Feminist Economics.

- Including gender equality and social inclusion indicators as part of the PBCRG performance assessment system and awarding LGAs accordingly.

One of the benefits of the LoCAL PBCRG system is that it enables more active participation of project stakeholders in the project design and decision-making processes, and this project will include youth, gender, and marginalized local tribal groups in these processes so that the impacts of the projects are socially inclusive and sustainable.

Compliance with Adaptation Fund Social Policy and Gender Policy

GRACE -LoCALplus will specifically target the most vulnerable communities of CHT, who bear the severe brunt of the impacts of climate change and urgently require effective climate adaptation practices and solutions. This programme aims to reduce communities' vulnerability to the impacts of climate change. GRACE-LoCALplus programme also focuses on building the capacity of local governments to address climate change challenges. Such capacity building can ensure the mobiliSation of strategies to safeguard the wellbeing and livelihoods of local populations, including indigenous community members.

The GRACE-LoCALplus programme has two components, each carefully designed to address the unique social dynamics of CHT. First, the Capacity building and mainstreaming of Climate Change Adaptation (CCA) into the local government system component will include training local officials and community members in climate-resilient practices and disaster risk reduction. This component will lead to enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts. Along with capacity building, GRACE -LoCALplus also encourages active participation and engagement of local communities in CCA and resilience-building initiatives. This involvement ensures that local voices are heard and community-specific vulnerabilities and needs are taken into account.

Second, the Grant facility and PBCRG mechanism for adaptation intervention component is designed to reward and incentivise local governments to integrate climate resilience into their policies and practices. The grants can be structured to prioritise projects that directly contribute to reducing communities' vulnerability to climate change impacts. This may include initiatives that provide social protection measures, ensuring that the most vulnerable populations are safeguarded from the adverse effects of climate change. Each of the USPs will be designed based on extensive community consultation to understand the needs and perspectives of all community members, particularly those who are socially marginalized or disadvantaged.

A significant advantage of the LoCAL PBCRG system is its facilitation of active stakeholder participation in project design and decision-making. This project will ensure the inclusion of youth, women, and marginalised local tribal groups in these processes, thereby ensuring that the project's impacts are socially inclusive and sustainable. The project will ensure the equitable distribution of benefits to vulnerable communities, households, and individuals in the following ways:

- Implementing investment schemes in hard-to-reach areas where vulnerable communities live.
- Facilitating the involvement of these communities in creating Local Adaptation Plans of Action (LAPA).

- Designing interventions as public goods, accessible to all community members.

This project ensures unwavering adherence to the Adaptation Fund Gender and Social Policy, demonstrating a deep commitment to gender and social considerations. This programme's core objectives and activities prioritise aiding marginalised communities severely impacted by climate change and urgently need effective adaptation strategies and solutions. GRACE-LoCALplus's adherence to the social aspects of the Adaptation Fund's Environmental and Social Policy (ESP) is evident in several key areas.

- Firstly, it prioritises inclusive participation, ensuring fair and equitable access for all, particularly focusing on women, youth, and vulnerable groups in the project areas. This approach helps to mitigate potential conflicts and promotes harmonious community engagement.
- Secondly, continuous community consultations are integral to its strategy, ensuring that all voices are heard, and potential barriers to access and equity are addressed. These consultations are crucial for maintaining transparency and fostering a sense of ownership and involvement among all stakeholders.
- Thirdly, by conducting thorough risk assessments for each USP, it actively plans to identify and mitigate any social risks, ensuring that its interventions do not inadvertently lead to social conflicts or disagreements within or between community groups. This careful consideration of the social dynamics within each project area reflects its commitment to social cohesion and harmony.
- Lastly, the project's focus on community-driven solutions and the involvement of local groups in decision-making processes further strengthens its social adherence. This approach ensures that the project enhances the social fabric of the communities it works with, fostering long-term sustainable development and resilience.

Considering the project context, it’s clear that, while many women in Bangladesh face challenges due to climate change, those living in the Chattogram Hill Tracts are exceptionally at risk. This increased vulnerability stems from regional factors like distinct climatic conditions, high poverty rates, and complex land tenure issues. In line with the Adaptation Fund's gender policy, this programme prioritizes approaches for addressing women's distinct challenges in climate change.

The GRACE-LoCALplus ensures that gender-responsive approaches are seamlessly integrated across all programme activities. The programme strives to ensure women's active participation, meaningful engagement, and equitable access to project benefits and decision-making processes. Gender-responsive approaches are seamlessly integrated across all programme activities, including comprehensive needs assessments, targeted capacity-building initiatives, inclusive stakeholder consultations, and robust monitoring and evaluation mechanisms.

Both components of the GRACE-LoCALplus programme adopt gender-responsive approaches. First, the Capacity building and mainstreaming of Climate Change Adaptation (CCA) into the local government system component aims to integrate gender considerations into local government policies and planning processes related to climate change adaptation. This involves mainstreaming gender-responsive approaches into local development plans, environmental impact assessments, and other relevant documents. This will encourage local government institutions to adopt community-based adaptation strategies considering gender dynamics. This might involve projects that empower women in natural resource management, agriculture, or other sectors vulnerable to climate change impacts. This

component will also build the capacity of local government officials to understand and address social and cultural norms that may impact gender equality.

Second, the GRACE-LoCALplus's Grant facility and PBCRG mechanism for adaptation intervention component will be designed to facilitate community awareness programmes that focus on gender equality and women's rights in climate change. In the long run, this component can facilitate the shift of societal norms towards more gender-sensitive climate change adaptation approaches. The project's methodology for participant selection in training and workshops is set to be transparent and equitable, aligning with the Adaptation Fund's commitment to gender equality and social inclusion.

This approach is particularly crucial as it addresses the double marginalisation faced by women in local tribal communities, who are often subject to layered discrimination and mistreatment related to both their gender and minority status. By implementing comprehensive and inclusive strategies, the project not only conforms to the Adaptation Fund's gender and social policy but also actively contributes to promoting gender equality and empowering women in the face of climate change challenges.

The gender strategy of this project, crafted by specialists from ICIMOD, further acknowledges the multifaceted nature of achieving gender equality. For instance, the project specifically addresses the needs of marginalised and vulnerable tribal communities. This involves including these groups in consultations and setting precise objectives to ensure their active engagement in all relevant project activities. In this way, it aims to empower these communities through various activities, including awareness creation, sensitisation, capacity building, and direct involvement in climate adaptation efforts led at the local level. In addition, this project is committed to the inclusive participation of women, youth, and ethnic/local tribal and marginalised groups, aligning with the Sustainable Development Goals' ethos of inclusivity and the Adaptation Fund's policies.

The programme promotes adolescent girls and youth climate action groups through meaningful participation. Adolescent girls often face difficulties during disasters due to a lack of sanitation facilities and fuel. The project will engage youth in various ways, including education, awareness, advocacy activities and campaigns, training and capacity building, and directly via adaptation activities focused on livelihood development, diversification, and income generation. The project will integrate gender mainstreaming and social inclusion best practices in line with the Adaptation Fund's gender and social policy. This includes:

- Conducting gender sensitisation workshops for project partners, community leaders, and government officials.
- Encouraging youth participation in community-level climate initiatives.
- Aiming for at least 50% women's participation in Climate Change Adaptation (CCA) meetings, dialogues, and decision-making processes.
- Involving local tribal groups in consultations, decision-making, capacity building, and other relevant activities.
- Providing capacity-building training tailored to the specific needs and climate vulnerabilities of women, girls, and local tribal groups.
- Fostering partnerships with microfinance institutions and grassroots Civil Society Organizations (CSOs) active in the Chattogram Hill Tracts (CHT).

- Incorporating gender equality and social inclusion indicators in the Performance-Based Climate Resilience Grants (PBCRG) system and recognising Local Government Authorities (LGAs) accordingly.

Both the project components aim to foster gender equality and encourage social inclusion. This approach is pivotal in enhancing vulnerable communities' resilience and adaptive capacity, ultimately driving sustainable development and achieving equitable outcomes. By simultaneously fostering gender equality and social inclusion, GRACE-LoCALplus will actively work towards enhancing vulnerable communities' resilience and adaptive capacity, ultimately promoting sustainable development and fostering equitable outcomes.

Cost-benefit analysis

A 2022 cost-benefit analysis of the LoGIC investments reveals that for USD 1 invested, the benefit was USD 3.91.[50] The analysis also concluded that LoGIC uses results-based payments, which is a relevant incentive model to bring about both liquidity for investments and knowledge and capacity derived from the implementation of those measures at the local level. Extensive implementation of the LoCAL model globally and evidenced in monitoring reports for implementation of LoGIC have demonstrated that, if targeted technical assistance is delivered and PBCRGs are put in place, performance improvements in enhanced resilience will be possible, and climate funds will be effectively and efficiently channeled to the local level with ownership of climate responses. Feedback from current initiatives shows that:

- The PBCRG incentive system works and contributes better consideration of climate issues at the local level, the amount of year-to-year grants being impacted by the relative scores of the previous year
- Integrating the mechanism into government systems avoids the creation of parallel planning and funding management systems
- Integrating the mechanism into government systems allows efficient scaling (geographic expansion) and facilitates national ownership of the mechanism
- Using performance measures ensures a progressive reinforcement of the capacities of the local governments.

C. Describe or provide an analysis of the cost-effectiveness of the proposed project/programme.

GRACE-LoCALplus has been designed based on solid evidence and proof-of-concept that LoGIC projects have demonstrated over six years in seven districts in Bangladesh. The mid-term evaluation of LoGIC conducted a value-for-money analysis. The average cost of each PBCRG scheme is USD 8,382, considered relatively low and highlighted by national and local stakeholders as needing to be more significant to attract additional private or national government investment. The same evaluation showed LoGIC's total cost-to-transfer ratio to be 1:1.5, comparable to cash transfer programmes globally. This ratio is even better because LoGIC not only provides cash transfers (i.e., capacity building and policy support). The mid-term evaluation also found that all 72 targeted UPs could secure PBCRG funding to support adaptation interventions, which met their target,

[50] UNCDF LoCAL. 2022. Cost-Benefit Analysis of Climate Adaptive Infrastructures of Local Government Initiative on Climate Change (LoGIC) Project

financing 653 infrastructure and other interventions. 74% of beneficiary households reported gaining economic benefits from participating in climate adaptive livelihood options activities.

An evaluation of the global LoCAL Facility revealed that PBCRG investments have successfully reduced the loss and damage of assets and income in communities where interventions have been implemented, strengthening livelihoods in communities, and widening access to essential services. The LoCAL facility has leveraged around 13% of its resources from country governments. The average utilisation rate is about 87%, showing that the facility forecasted and budgeted efficiently. Expenditure analysis of outputs shows that the expenses for mainstreaming, i.e., PBCRG investments, have increased more than budgeted. In contrast, other expenses, such as project office, M&E, learning etc, are less than budgeted. An increase in allocation and disbursement on mainstreaming and PBCRG means more money is channeled into investments, which is always desirable.

The added value of the LoCAL Facility compared to other mechanisms directly targeting local governments is the institutionalisation of the mechanism, which guarantees its appropriation, sustainability, and effective scaling up. Successful implementation of the Performance-Based Climate Resilience Grant (PBCRG) system means that cost-effectiveness can be built into the dispersal of funds as a Performance Measure (PM), and Local Government Authorities can be rewarded for running the most cost-effective adaptation activities. The PBCRG facility is designed to maximise the impact of funding disbursed to Local Governments while minimising transaction costs as it is aligned with existing country systems, particularly the established intergovernmental fiscal transfer mechanism. The project will maximise the investment in concrete interventions chosen by local communities. Direct partnering with local communities will also increase their ownership, build their capacity, and reduce the interventions' costs. The anticipated benefits from implementing project components will significantly exceed the costs and prevent climate change-induced losses. The 2022 cost-benefit analysis of the LoGIC investments reveals that for USD 1 invested, the benefit was USD 3.91.

Extensive implementation of the LoCAL model globally has demonstrated that if targeted capacity building and technical assistance for adaptation planning are delivered, and PBCRGs are implemented, performance improvements in enhanced resilience will be possible. Climate funds will be effectively and efficiently channelled locally with ownership of climate responses. Feedback from current initiatives shows that (i) the PBCRG incentive system works and contributes better consideration of climate issues at the local level, the amount of year-to-year grants being impacted by the relative scores of the previous year; (ii) integrating the facility into government systems avoids the creation of parallel planning and funding management systems; (iii) integrating the facility into government systems allows efficient scaling (geographic expansion) and facilitates national ownership of the facility; (iv) using performance measures ensures a progressive reinforcement of the capacities of the local governments. LoCAL is now joined by 38 countries around the globe, consolidating its proven track record with 18 already implemented or currently implementing Phases 1 to Phase 3. Global programme results can be found in the UNCDF LoCAL final report on second period of global expansion 2019–2022.[51]

[51] UNCDF (2023). LoCAL final report on second period of global expansion 2019–2022: realizing demand with standard and scalable locally led action. Accessible from https://www.uncdf.org/article/8328/local-report-2019-2022

LoCAL top-up grants are disbursed as part of a local government's regular budget envelope. They can thus finance the adaptation element of more significant investments, allowing for holistic responses to climate change. The funds incentivise local governments to integrate adaptation and climate-proof local development and, therefore, a cost-effective approach to adaptation interventions. In addition, by tracking small funds allocated at the local level, LoCAL helps improve transparency and allows for more targeted activities with public input and local co-benefits.

The project will maximise the amount of investment in concrete interventions, where approximately 70% of the project's implementation budget will be directed to interventions under component 2. Approximately 30% of the project's implementation budget will be dedicated to capacity building of LGAs and communities, technical assistance and adaptation planning to directly support the effective implementation of adaptation interventions.

Table 5 provides an alternative analysis of the proposed components (i.e., alternative interventions and trade-offs), and averted losses.

Project component	Tangible adaptation benefits	Averted losses	Alternative interventions and trade-offs
Component 1: Capacity building and mainstreaming Climate Change Adaptation (CCA) into local government system for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism	• Capacity building at local institutional and community levels, with learning components • Strengthened capacity of local governments and their respective communities allow for sustainability of project activities and outcomes after phase-out • Climate change adaptation is mainstreamed into local government plans and budgets • Local community members, and particularly women and other groups most vulnerable to climate change, have more opportunity to participate in the planning and implementation of climate change projects	• Investing in capacity building has high benefit to cost ratios. It also enhances effectiveness and efficiency of other aspects of the project. • Local governments and communities have no voice in the prioritization of adaptation activities • Continued disparities between men and women	*Capacity building and the implementation of large-scale interventions at the national level* **Trade-offs** • Gap in knowledge and understanding between the national level and at the local level where key decisions are made and resources deployed. • Large-scale interventions are expensive and do not necessarily addressing problems that would be prioritised at the local level.
Component 2: Grant facility and PBCRG mechanism for adaptation intervention	• Climate change funds are targeted at local levels • Incentives are in place for interventions to be implemented efficiently and effectively • PBCRGs for locally led adaptation are scaled up to other areas of Bangladesh • Enhancing soil resilience mitigates land pressure, boosting agricultural productivity and environmental stability for communities in CHT	• Losses due to inefficiencies, ineffectiveness, or corruption • CHT faces land pressure due to population growth, deforestation, land conversion, unsustainable practices, and climate change impacts	*One-off grant without performance measures or minimum conditions* **Trade-offs:** • More risks of interventions being ineffective in terms of building climate resilience • More difficult to scale up into other areas of Bangladesh • Limited tracking of finance directed to climate change adaptation

Table 5: Proposed project's tangible adaptation benefits, averted losses, and alternative interventions and trade-offs.

Regarding the cost-effectiveness of component 1, LoCAL has been evaluated as an effective programme that "contributed to changes in the capacity of national and local governments to plan, budget, and manage climate-adaptive investments across the countries in which it is operating" (Mid Term Review, 2018). Regarding component 2's cost-effectiveness, the global evaluation of LoCAL (2022) suggests "larger climate adaptation investments which would cater to a greater population segment and become more cost-effective concerning economies of scale". This recommendation has been incorporated into the programme's design, influencing the average size of grants.

D. Describe how the project/programme is consistent with national or sub-national sustainable development strategies, including, where appropriate, NAP, national or sub-national development plans, poverty reduction strategies, national communications, or national adaptation programs of action, or other relevant instruments, where they exist.[52]

Over the last three decades, Bangladesh has implemented various initiatives to address climate change impacts, including progressive policies and action plans. In a multi-level governance arrangement, addressing climate change impacts can often be constrained by limited mainstreaming across overlapping mandates, particularly regarding decentralization and public finance management issues. GRACE-LoCALplus has been designed to align with national and sub-national policies, strategies, and plans on development, climate change, and disaster resilience.

National Adaptation Plan (NAP) 2023–2050[53]

Carefully aligned with Bangladesh's 2023–2050 NAP, the CHT project area is among eleven climate stress zones in the country. While Bangladesh has made progress in adaptation planning, implementing the National Adaptation Plan of Action (NAPA – see the section below), establishing climate change trust funds, and pioneering community-based adaptation, there remains a lack of institutional arrangements and a coordinated strategy for mid- and long-term climate change investment. To address this gap, the Department of Environment executes the NAP Process, financed by the Green Climate Fund (GCF). NAP will enable Bangladesh to identify country-specific adaptation needs, develop and implement strategies, and protect vulnerable communities. The NAP outlines proposed interventions for specific domains and sectors (e.g., water resources, agriculture, ecosystems, wetlands, and biodiversity) as investment options for the project's grant mechanism.

Nationally Determined Contributions (NCDs – Updated) 2021[54]

Bangladesh's updated NDCs, submitted to UNFCCC in March 2021, commit to a 7% reduction in greenhouse gas emissions from its business-as-usual (BAU) scenario by 2030 (unconditional contribution), which could be increased to 15% with international support (conditional contribution). Mitigation measures include promoting renewable energy, energy efficiency, electric vehicles, and reducing transport emissions. Afforestation and reforestation will help reduce emissions from forestry and land-use sectors. Adaptation measures in the NDCs involve enhancing early warning systems,

[52] For additional strategies, please consult: http://rb.gy/8ot82
[53] http://rb.gy/o1yoh
[54] https://unfccc.int/sites/default/files/NDC/2022-06/NDC_submission_20210826revised.pdf

disaster management, water resources management, climate-resilient agriculture, and surface water use. GRACE-LoCALplus will directly address these adaptation measures, focusing on water resources, agriculture, ecosystems, wetlands, and biodiversity.

The Bangladesh Climate Change Strategy and Action Plan[55]

The GoB aims to eradicate poverty and achieve economic and social wellbeing for all Bangladeshis through a pro-poor Climate Change Strategy. This strategy prioritises adaptation, disaster risk reduction, low carbon development, mitigation, technology transfer, and adequate finance. The Climate Change Action Plan focuses on six pillars: 1) food security, social protection, and health; 2) comprehensive disaster management; 3) infrastructure; 4) research and knowledge management; 5) mitigation and low carbon development; and 6) capacity building and institutional strengthening. PBCRG model aligns with five of the six pillars and introduces an innovative financing model in the CHT.

The Bangladesh Country Investment Plan for Environment, Forestry and Climate Change (EFCC CIP)[56]

The EFCC CIP is a cross-sectoral and whole-of-government investment framework for mobilizing and delivering effective, coordinated, sustainable and country-driven investment programs in environmental protection; sustainable forest management; climate change adaptation and mitigation; and environmental governance. It is a tool to translate government policies into investment programs and projects. It responds to the urgent need to address environmental degradation in Bangladesh and improve its ability to meet the threats posed by climate change. It lays out priority investment areas organized into four pillars.

Mujib Climate Prosperity Plan (MCPP)[57]

Under the MCPP, Bangladesh aims to enhance resilience, grow the economy, create jobs, and increase renewable energy to 30% by 2030. CVF countries are reviewing MCPP as a blueprint for their CPP. The project aligns with MCPP and supports SDGs. It has a strategic investment framework to mobilize renewable energy and climate resilience finance. The proposed project allows LGAs to effectively access and utilize climate finance, building climate-resilient local economies, infrastructure, and communities. Capacity-building interventions on climate financing will be designed, aided by UNCDF's zila-level Climate Finance Officers network.

Bangladesh Delta Plan 2100[58]

The Bangladesh Delta Plan (BDP) 2100 is a long-term integrated techno-economic mega plan that incorporates all delta-related sector plans and policies, enveloping a Delta Vision and strategies that make it possible to incorporate sector plans and policies for the long term and to present actionable interventions with a roadmap for realization. The GoB has approved the Delta Plan 2100 on September 4, 2018, to secure the future of water resources and mitigate the likely effects of climate change and natural disasters. The BDP 2100 is a broad-based, long-term vision of the possible changes and necessary interventions to make the Bangladesh Delta safe by the end of the 21st Century.

[55] http://nda.erd.gov.bd/en/c/publication/bangladesh-climate-change-strategy-action-plan-bccsap-2009
[56] http://cuts2.com/oYSdS
[57] http://cuts2.com/qaIkk
[58] http://cuts2.com/OleVU

National Adaptation Program of Action – 2009[59]

MoEFCC prepared the National Adaptation Programme of Action (NAPA) for Bangladesh) as a response to the decision of COP7 of the United Nations Framework Convention on Climate Change (UNFCCC). The basic approach to NAPA preparation was along with the country's sustainable development goals and objectives, where it recognized the necessity of addressing environmental issues and natural resource management with the participation of stakeholders. Government policymakers, local representatives of the government (*Union Parishad* Chairman and Members), scientific community members of the various research institutes, researchers, academicians, teachers (ranging from primary to tertiary levels), lawyers, doctors, ethnic groups, media, NGO and CBO representatives and local tribal women contributed to the development of the NAPA for Bangladesh.

Bangladesh Climate Change Trust Fund Act – 2010[60]

This is intended as the government's quick-start domestic response to climate change adaptation activities planned through the BCCSAP. As such, this Act is closely linked to the BCCSAP. It stipulates allocating an initial budget of USD100m annually for three years between 2009 and 2011. It stipulates that 66% of its budget will be spent on implementing projects/programmes prioritised in the BCCSAP. The remaining 34% will be maintained as a deposit for emergencies. Interest accrued on the deposit will be spent on project implementation. Funds from the BCCTF can be used to finance public sector and non-government projects. Spending the total grant within a given financial year is not mandatory.

Bangladesh Climate Change Trust Fund – 2010[61]

The Bangladesh Climate Change Trust is a government trust in Bangladesh that utilises funds to take action against problems caused by climate change. The trust fund has operated since 2010 and collaborates with government ministries, NGOs, and the private sector to implement and evaluate climate change mitigation projects. The BCCT undertakes a range of functions by funding climate change adaptation mitigation projects:

- the overall management of the Climate Change Trust Fund.
- provide secretarial support to the Trustee Board on Climate Change and Technical Committee
- review projects from different government ministries/divisions.
- coordinate with other government ministries/divisions to progress climate change mitigation projects.
- connect with beneficiaries, civil society, NGOs, the private sector and international organisations related to climate change.
- undertake monitoring and evaluation of projects under implementation.

[59] https://unfccc.int/resource/docs/napa/ban02.pdf
[60] http://nda.erd.gov.bd/en/c/publication/climate-change-trust-act-2010
[61] http://www.bcct.gov.bd/index.php/ab-bcct

Bangladesh Climate Fiscal Framework – 2014[62]

The Climate Fiscal Framework (CFF), published by the Ministry of Finance, provides principles and tools for climate fiscal policymaking (CFP), helping to identify the demand and supply sides of climate fiscal funds (expenditures vis-à-vis revenue or finance, respectively), and to ensure that CFP is transparent and sustainable in the longer term. The CFF determines the equitable division of climate funds and their allocation to relevant sectors; the division of services, identification of the demand for climate funds, and expenditure areas of financial authority for raising revenue, for national and international financing options, and for fiscal tools; and a governance framework for climate change funds under the national fiscal policy. The CFF also recommends a set of climate codes designed to (i) track climate change expenditures for policy analysis and reporting and (ii) estimate long-term climate finance needs by identifying potential climate-related public expenditures across government ministries.

Perspective Plan 2021-2041[63]

The Perspective Plan - Vision 2041 continues Digital Bangladesh Vision 2021 and seeks to take the nation to the development path. Specifically, Vision 2041 aims to eliminate extreme poverty and reach Upper Middle-Income Country (UMIC) status by 2031 and High-Income Country (HIC) status by 2041. two principal visions underpin the PP2041: (a) Bangladesh will be a developed country by 2041, with per capita income of over USD 12,500 in today's prices, and entirely in tune with the digital world; (b) Poverty will be eliminated. The transition— indeed transformation—can be realised through rapid inclusive growth leading to eliminating poverty while increasing the productive capacity, building an innovating knowledge economy and protecting the environment.

8th Five Year Plan[64]

8FYP has been formulated to implement PP2041 to bring Bangladesh closer to attaining UMIC status, achieving primary SDG targets, and eliminating extreme poverty by FY2031. Against the backdrop of these factors, the 8th Plan takes the lead from PP2041 and centres on six core themes: · Rapid recovery from COVID-19 to restore human health, confidence, employment, income and economic activities; · GDP growth acceleration, employment generation, productivity acceleration and rapid poverty reduction; · A broad-based strategy of inclusiveness to empower every citizen to participate in and benefit from the development process and help the poor and vulnerable with social protection-based income transfers; · A sustainable development pathway that is resilient to disaster and climate change, entails sustainable use of natural resources; and successfully manages the inevitable urbanisation transition; · Development and improvement of critical institutions necessary to lead the economy to UMIC status by FY2031; and · Attaining SDG targets and mitigating the impact of LDC graduation.

E. Describe how the project/programme meets relevant national technical standards, where applicable, such as standards for environmental assessment, building codes, etc., and complies with the Environmental and Social Policy of the Adaptation Fund.

[62] http://nda.erd.gov.bd/en/c/publication/bangladesh-climate-fiscal-framework-cff-2014

[63] http://oldweb.lged.gov.bd/uploadeddocument/unitpublication/1/1049/vision%202021-2041.pdf

[64] https://www.prb.org/wp-content/uploads/2022/03/8th-Five-Year-Plan-compressed.pdf

The project will comply with the Environmental and Social Policy of the Adaptation Fund. All activities will adhere to the Environmental and Social Principles of the Fund. It will also adhere to ICIMOD's Environmental and Social Safeguards Policy 2020, which aims to enhance the sustainable benefits of ICIMOD's work and avoid unnecessary harm to the environment and affected communities.[65]

The project will strictly adhere to GoB's regulatory requirements for environmental and social protection during implementation. As the project is in a biodiversity hotspot with local tribal populations, relevant national statutes and laws will ensure robust safeguarding. It will also follow gender-related legislation and policies for a gender-responsive agenda. Additionally, GRACE-LoCALplus will comply with governmental technical rules, guidelines, and orders based on the funded interventions in the investment menu (see Annex 5). Moreover, data collected and managed by the Government of Bangladesh, such as Climate Change Information Knowledge Management (https://ccikm.gov.bd/home/), will be utilized.

The Constitution of Bangladesh 1972[66]

The Constitution of Bangladesh ensures affirmative action for Local tribal peoples. It prohibits discrimination, among other things, on the grounds of race, religion or place of birth, Article 23A of which provides, "the State shall take steps to protect and develop the unique local culture and tradition of the tribes, minor races, ethnic sects and communities". Article 28 (4) also states that "nothing in this Article shall prevent the State from making special provision in favour of women or children or for the advancement of any backward section of citizens". Five major Acts address the crucial aspects of the rights of Local tribal peoples in the CHT: (i) the CHT Regulation (1900); (ii) the CHT Development Board Ordinance (1976); (iii) the Hill District Council Acts (1989); (iv) the CHT Regional Council Act (1998); and (v) the CHT Land Disputes Resolution Commission Act (2001).

National Environmental Policy 1992[67]

The Bangladesh National Environmental Policy, approved in May 1992, sets out the basic framework for environmental action and broad sectoral action guidelines. Key elements of the Policy are: • Maintaining ecological balance and ensuring sustainable development of the country through protection and conservation of the environment; • Protecting the country from natural disasters; • Identifying and regulating all activities that pollute and destroy the environment; • Ensuring environment-friendly development in all sectors; • Ensuring sustainable and environmentally sound management of the natural resources; and • Maintaining active association, as far as possible, with all international initiatives related to the environment. The Policy, among other things, seeks to ensure that transport systems, including roads and inland waterways, do not pollute the environment or degrade resources. The Policy states that an Environmental Impact Assessment (EIA) should be conducted before projects commence.

[65] https://www.icimod.org/wp-content/uploads/2020/10/ICIMOD_EnvironmentalAndSocialSafeguardsPolicy2020.pdf
[66] The Constitution of the People's Republic of Bangladesh http://bdlaws.minlaw.gov.bd › act-367
[67] http://nda.erd.gov.bd/en/c/publication/environment-policy-1992#:~:text=The%20objectives%20of%20the%20policy,are%20identified%20in%20the%20document

National Environment Management Action Plan 1995[68]

The National Environmental Management Action Plan (NEMAP) is a wide-ranging and multi-faceted plan that builds on and extends the statements in the National Environmental Policy. NEMAP was developed to address issues and management requirements from 1995 to 2005 and sets out the framework through which various decisions, plans, legislative measures, rules and regulations toward safeguarding the environment and natural resources, including those of biological diversities, are to be implemented.

The Environment Conservation Act, 1995 (subsequent amendments in 2000 and 2002)

The provisions of the Act authorise the Director General (DG) of the Department of Environment to undertake any activity he deems fit and necessary to conserve and enhance the quality of the environment and to control, prevent and mitigate the pollution. The main highlights of the act are: • Declaration of Ecologically Critical Areas; • Obtaining Environmental Clearance Certificate; • Regulation concerning vehicles emitting smoke harmful to the environment; • Regulation of development activities from an environmental perspective; • Promulgation of standards for quality of air, water, noise, and soils for different areas and for different purposes; and • Promulgation of acceptable limits for discharging and emitting waste.

National Biodiversity Strategy and Action Plan (2004)

Conserve and restore the biodiversity of the country for the well-being of the present and future generations; maintain and improve environmental stability for ecosystems; ensure the preservation of the unique biological heritage of the nation for the benefit of the present and future generations; guarantee the safe passage and conservation of globally endangered migratory species especially birds and mammals in the country; stop the introduction of invasive alien species, genetically modified organisms and living modified organisms.

National Water Bodies Protection Act, 2000

The characterisation of water bodies as rivers, canals, tanks or floodplains identified by municipalities in division and district towns shall not be changed without the approval of the concerned ministry.

The Forest Act, 1927 and subsequent amendments in 1982 and 1989; National Forest Policy, 1994

Categorisation of forests as reserve, protected, and village forests; Permission is required for the use of forest land for any non-forest purposes and

Conservation of private forests and afforestation on wastelands

The National Water Act, 2013

The National Water Act 2013 is based on the National Water Policy, 1999 and provides the legal framework for integrated development, management, abstraction, distribution, usage, protection and conservation of water resources in Bangladesh. The Act authorised DoE to prevent water pollution. The Act denotes water pollution as ‘direct and indirect harmful changes of water's physical, chemical and organic properties.

[68] https://documents.worldbank.org/en/publication/documents-reports/documentdetail/329001468741610744/bangladesh-national-environment-management-action-plan-nemap

Right to Information Act, 2009

The Act ensures the free flow of information and people's right to information. The freedom of thought, conscience and speech is recognised in the Constitution as a fundamental right, and the right to information is an alienable part of it. Since all powers of the Republic belong to the people, ensuring the right to information for their empowerment is necessary. The right to information shall ensure transparency and accountability in all public, autonomous and statutory organisations, and private organisations run on government or foreign funding shall increase, corruption shall decrease, and good governance shall be established. It is expedient and necessary to make provisions for ensuring transparency and accountability.

Relevant gender legislation and policy framework

The Constitution of Bangladesh emphasises equal rights for all and prohibits discrimination and inequity based on sex. Especially concerning women, Article 28 states, 'Women shall have equal rights with men in all spheres of state and public life". Therefore, the government is fully committed to ensuring women become part of the solutions to climate change by creating space for them to contribute to all aspects of sustainable development in Bangladesh.

Further, the government has enacted and ratified the following additional policy frameworks/legislation and international treaties. The Government of Bangladesh ratified the CEDAW on 6 November 1984. The Government of Bangladesh submitted a National Review Report on the Implementation of the Beijing Declaration and Platform for Action as part of the Beijing+25 review process in July 2019. With the support of IUCN, the Ministry of Environment and Forest (MoEF) of the Government of the People's Republic of Bangladesh produced a national climate change gender action plan.[69] The ccGAP defines the role that the MoEF will play in initiating and facilitating efforts internally and with strategic partners at the national, regional and international levels. It seeks to mainstream gender in climate change advantage of opportunities that promote gender equality and facilitate transformational change as we build a climate action outlined in the BCCSAP, the NAPA and other policy documents.

[69] https://genderandenvironment.org/bangladesh-ccgap/
Other relevant laws and policy frameworks:
https://unfccc.int/sites/default/files/resource/BANGLADESH%20Mirza%20Shawkat%20Ali.pdf

F. Describe if there is duplication of project/programme with other funding sources, if any.

Bangladesh has several climate change and water management-related projects and initiatives; however, only some focus on creating a system of climate resilience investments at the local government level, and we have yet to find any of those that are performance-based. The proposed concept will be able to avoid duplication and maximize results through synergies, leveraging resources and lessons learned with other projects. The proposed project will build on, complement, learn from, and augment the results of other projects listed in the table below. Initial screening for potential overlaps has yet to suggest any issue between existing projects and the proposed pilot in technical, spatial, and/or temporal dimensions. This is particularly the case regarding the PBCRG system, which is unique to this project. At the implementation stage and under the responsibility of the Project Implementation Committee, regular dialogues with all other relevant climate resilience projects in the hill regions of Bangladesh will be further coordinated to ensure best alignment and screen for more parallel initiatives at regional and global levels. The main complementary projects are listed in below **Table 6**.

Table 6: Relevant projects/programmes in the target areas

No	Relevant Project / Programme	Description	Lesson Learned	Complementary potential	Project Timeline
1	Local Government Initiatives on Climate Change (LoGIC)	Focuses on local CCA in 7 climate districts of Bangladesh. LoGIC is designed to enhance capacity LGAs, vulnerable communities, and civil society to engage in effective and inclusive local-level planning and financing. Joint UNCDF/UNDP project with funding from EU and Sweden.	Following an earlier pilot of LoCAL over 2014-2016, LoGIC has been operating over 4 years at UP level The extension of LoGIC (2023-2025) is planned to channel PBCRGs to Upazilas. By targeting 10 Upazilas of the CHT: Banbarban District: Bandarban Sadar, Lama, Rowangchari, Ruma, Thanchi; Rangamati District: Rangamati Sadar, Juraichhari, Belaichhari, Langadu, Barkal), LoGIC is expected to pave the way for the GRACE-LoCALplus to operate in CHT while deepening the approach (e.g., in regard to CCVA) and expanding to additional Upazilas not covered by LoGIC	GRACE-LoCALplus will be a scaling-up phase of LoGIC, while incorporating lessons learned from the first phases of LoGIC.	2018-2025
2	Adaptation Initiative for Climate Vulnerable Offshore Small Islands and Riverine Charland in Bangladesh	AF project implemented by UNDP and executed by the MoEFCC with objective of enhancing the climate resilience of vulnerable communities in coastal islands and riverine chars in Bangladesh.	Ggeographic focus doesn't overlap with GRACE-LoCALplus focus on CHT. Some interventions are aligned with GRACE-LoCALplus, allowing for opportunity for exchange of best practices and lessons. Initial discussions with UNDP took place and continued engagement will be sought to ensure synergy	The proposed concept can learn from the project about climate-resilient housing, infrastructure, livelihoods, and development, and to incorporate lessons learned into the CHT region, where applicable.	2019-2024
3	Adaptation to Climate Change into the National and Local Development Planning II	Commissioned by BMZ and executed by Bangladesh Planning Commission, Ministry of Planning, Government of Bangladesh to strengthen the climate resilience of public investments	Even though the project seeks to improve the development and investment planning by considering the impact of climate change, the project has limited overlap with GRACE-LoCALplus	Focus on urban areas to ensure that investment projects consider climate risks, whereas the proposed concept will be able to build on this while adding in performance	2019-2023

No	Relevant Project / Programme	Description	Lesson Learned	Complementary potential	Project Timeline
				measures and also working in rural areas.	
4	GEF Project 8036: Integrating Climate Change Adaptation into Sustainable Development Pathways of Bangladesh	UNDP-led project, which seeks to support the National Adaptation Plan process in Bangladesh by strengthening climate and socio-economic information databases, as well as mainstreaming climate change adaptation across policies, plans, strategies, with a special focus on sensitive agro-ecosystems.	Even though the project seeks to support the National Adaptation Plan at the country level, the project is working at the agro-ecological zone rather than at the Upazila level. There is some limited overlap with GRACE-LoCALplus, particularly in terms of increasing the technical capacity of relevant local government and sectoral line departments to plan and implement adaptation interventions. However, GRACE-LoCALplus will be much focused on building capacity in support of the systems for accessing and deploying climate finance for locally-led adaptation. There are opportunities for sharing lessons learned and best practices. Initial discussions with UNDP have taken place and continued engagement will be sought to ensure synergies are identified during the implementation phase.	The proposed concept will be able to build on the coordination mechanisms and knowledge management systems and on lessons learned from their work on mainstreaming climate change adaptation across policies, plans and strategies. There will also be opportunities to share lessons learned and best practices related to capacity building activities. UNDP is also an implementing partner for LoGIC, allowing complementarity potential.	2021-2025
5	GEF Project 10207: Building climate resilient livelihoods in vulnerable landscapes in Bangladesh (BCRL)	GEF project run by FAO along with the Department of Environment (DoE) and the Department of Agricultural Extension (DAE) an objective to improve the resilience of people, communities, and ecosystems to climate change, and improve livelihoods through increased value addition in the agricultural food systems of Bangladesh.	Some overlap in terms of geographic focus – one district – Khagrachhari. The project's focus is more at the national rather than Upazila level with 4 pilots in four climate vulnerable landscapes of Bangladesh. Some proposed interventions to be tested in the pilots are aligned with those of GRACE-LoCALplus under the agriculture sector, allowing for opportunity for exchange of best practices and lessons. Financial instruments considered under the GEF project are more focused on promoting private sector investment and engagement. Engagement with FAO will be sought to ensure synergies are identified during the implementation phase.	The project will work in three Upazilas of the CHT: Manikchhari, Khagrachhari Sadar, and Kawkhali Upazilas. The proposed concept will be able to incorporate lessons learned agroforestry and to consider its inclusion in GRACE-LoCALplus investment menu. GRACE-LoCALplus can also make use of the knowledge and evidence created under this project, particularly the local gender-differentiated participatory adaptation plans associated with the pilots	2021-2026
6	GCF FP004: Climate Resilient Infrastructure Mainstreaming (CRIM)	This KfW Development Bank-led project and executed by the Local Government Engineering Department (LGED) in Bhola, Barguna, and Satkhira. It integrates climate change adaptation systematically into	No overlap in terms of geographic focus. Limited overlap with GRACE-LoCALplus given the significant focus on large infrastructure.	While the proposed concept will work in different areas of Bangladesh with communities who will have different infrastructure needs for adaptation. Lessons learned	2018-2024

No	Relevant Project / Programme	Description	Lesson Learned	Complementary potential	Project Timeline
		decision-making for infrastructure planning, supervision and maintenance of the LGED, which is responsible for local infrastructure across Bangladesh		from the project could be useful for GRACE-LoCALplus.	
7	GCF FP069: Enhancing adaptive capacities of coastal communities, especially women, to cope with climate change induced salinity	GCF project run through UNDP and executed by the Ministry of Women and Children Affairs (MoWCA) with the objective of strengthening the adaptive capacities of coastal communities, especially women, to cope with impacts of climate change-induced salinity on their livelihoods and water security.	No overlap in terms of geographic focus. Some proposed interventions are aligned with those of GRACE-LoCALplus, allowing for opportunity for exchange of best practices and lessons. Initial discussions with UNDP have taken place and continued engagement will be sought to ensure synergies are identified during the implementation phase.	GRACE-LoCALplus could benefit from lessons learned about enhancing adaptive capacities at the local level. UNDP is also an implementing partner for LoGIC, allowing for complementarity potential.	2018-2024
8	GEF 9913: Implementing Ecosystem-based Management in Ecologically Critical Areas in Bangladesh	UNDP-led project, which seeks to apply an ecosystem-based framework for managing Ecologically Critical Areas (ECAs) in Bangladesh to enhance the conservation of globally significant biodiversity and support local livelihoods. It is aimed at addressing the increased degradation of wetland habitats from unsustainable development and local community practices that is leading to biodiversity loss.	Broad geographic focus with limited specific overlap with GRACE-LoCALplus. Some proposed activities related to the design and application of ecosystem-based frameworks to effectively plan may have some elements of complementarity with those of GRACE-LoCALplus, allowing for opportunity for exchange of best practices and lessons. Initial discussions with UNDP have taken place and continued engagement will be sought to ensure synergies are identified.	Given the project's focus on ecosystem-based frameworks, lessons and best practices may be useful in the implementation of related interventions aligned with the investment menu, particularly under the NAP sector on ecosystems, wetlands and biodiversity. UNDP is also an implementing partner for LoGIC, allowing for complementarity potential.	2020-2024
9	Strengthening inclusive development in CHT (SID-CHT)	Multi-funder, UNDP-led project which seeks to improved positive impact on ecosystems, social development and development of institutions. Includes extreme urban, rural poor and vulnerable groups. Increase access to resilient livelihoods and improved opportunities and access to basic services and savings schemes.	Direct overlap in terms of geographic focus. Some proposed interventions under the NAP ecosystem, wetlands and biodiversity sector (e.g., conservation of village common forests, landscape restauration, nature-based solutions) are aligned with those of GRACE-LoCALplus, allowing for opportunity for exchange of best practices and lessons. However, GRACE-LoCALplus is more focused on building locally-led adaptation. Initial discussions with UNDP have taken place and continued engagement will be sought to ensure synergies are identified during the implementation phase.	Given the project's focus on inclusive development on broad set of areas, lessons and best practices may be useful in the implementation of related interventions aligned with the investment menu, particularly under the NAP sector on ecosystems, wetlands and biodiversity. UNDP is also an implementing partner for LoGIC, allowing for complementarity potential.	2016-2023

G. If applicable, describe the learning and knowledge management component to capture and disseminate lessons learned.

Effective knowledge management is woven throughout the project design, leveraging ICIMOD's 40 years of experience as a regional knowledge broker. Lessons learned will be captured and disseminated as part of the project's second component. The LoCAL model's performance measure indicators will ensure efficient knowledge management. During the Annual Performance Assessment, LGAs performing well in knowledge management and other indicators will receive increased PBCRG allocation for the following year. In contrast, underperforming LGAs must implement corrective measures to access a new PBCRG allocation. The Ministry of Planning/Planning Commission, Ministry of Finance, and the Auditor General will be involved in linking LoCAL lessons to ongoing public finance reform efforts, enhancing decentralized management.

Knowledge will be co-created with stakeholders, including the national government, CHT Development Board, LGAs, and target beneficiaries, including women and youth. The proposed project will take advantage of the LoCAL network globally to learn lessons from other projects for the successful implementation of this pilot and in disseminating its lessons to other established LoCAL projects globally, as well as for integrating LoCAL into other country systems.

Demonstrating proven solutions in community knowledge parks would also encourage peer-to-peer learning and increase the potential of adopting and scaling climate-resilient solutions by local communities and governments. ICIMOD’s experience in Nepal reiterates the importance of peer-to-peer learning in spawning community-led adaptation interventions. Specifically, ICIMOD’s Living Mountain Lab at Godawari can be seen as an example of the impact generated through this methodology.[70] This park has been serving as a community resource platform since 1993. Some of the methods developed and piloted are of particular relevance: the improved nitrogen-fixing and erosion reduction through hedgerows in sloped agriculture or improved kiwi and avocado cultivation technologies. These are examples of ICIMOD’s expertise in identifying context and climate suitability mapping across communities to generate climate-neutral improved livelihoods.

Similar learning and knowledge management will be applied, including developing knowledge products and organizing workshops, training, and policy dialogues at the local and national government levels for mainstreaming and policy influence. From a gender and social inclusion perspective, the project will continue with a gender transformative approach keeping in mind that the impacts of climate change are largely gendered, exacerbating pre-existing inequalities and deeply entrenched regressive gender norms. The project will also continue its implementation in some of the remotest parts of the country, supporting the most climate-vulnerable, marginalized populations in each district and ensuring the capture of learnings from and disseminating knowledge to these populations.

Lessons and best practices from the first phases of LoGIC will also be considered, particularly the widespread communication and visibility efforts. It organized 16 community radio programs across four districts featuring local celebrities, officials, and beneficiaries to raise climate change awareness. These programs shared success stories, adaptive livelihoods, and climate resilience efforts. LoGIC's social media presence also reached a broad audience, with 315,956 Facebook members and active Twitter engagement. The project's website (https://logicbd.org) served as a knowledge hub for climate action, regularly updated to provide the latest

[70] ICIMOD. (2013). ICIMOD Knowledge Park at Godavari. https://lib.icimod.org/record/31695/files/Godavari_InfoSheetsU.pdf

information. LoGIC's visibility extended through local and national media, including TV news, radio channels, and online platforms. Quarterly newsletters kept stakeholders informed about project highlights, achievements, and media coverage. Blogs and human-interest stories showcased the project's progress and accomplishments.

Similar learning and knowledge management will be applied to Phase III of the project, including developing knowledge products and organising workshops, training, and policy dialogues at the local and national government levels for mainstreaming and policy influence. From a gender and social inclusion perspective, the project will continue with a gender transformative approach keeping in mind that the impacts of climate change are largely gendered, exacerbating pre-existing inequalities and deeply entrenched regressive gender norms. The project will also continue its implementation in some of the remotest parts of the country, supporting the most climate-vulnerable, marginalised populations in each district and ensuring the capture of learnings from and disseminating knowledge to these populations.

H. Describe the consultative process, including the list of stakeholders consulted, undertaken during project preparation, with particular reference to vulnerable groups, including gender considerations, in compliance with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.

Since the project will be co-developed with the LGAs and communities and will focus on delivering adaptation solutions geared for increased climate resilience of beneficiaries, stakeholder engagement has been prioritized in the preparation stage. This section captures the stakeholder consultations undertaken by national experts and the engagement process conducted as part of the design of the project.

Given GoB's national institutional arrangements through which climate finance can be provided as a top-up to Upalizas, stakeholder engagement, interaction, and idea-sharing is crucial, using existing mechanisms at national, sub-national, and community levels to ensure critical players are consulted and committed throughout the life of the project without having to create new and additional mechanisms. This project's stakeholder engagement processes were designed to be flexible, adapting and responding to the needs and capacities of diverse stakeholders. **Table 7** provides details on the consultation process, dates stakeholders reached, consultation objectives, outcomes, and conclusions. Further consultations are planned for the proposal development phase.

Table 7: Report of consultations with stakeholders

Date	Stakeholder(s)	Consultation objective	Outcome	Conclusion
Aug 2022	MoEFCC representatives	- Scoping workshop to introduce the proposed project idea - Advice on adaptation intervention and target areas - Ensure coordination with other ministries and alignment with projects	- MoEFCC agreed to support the project design - CHT was identified as an area requiring increase support, given climate vulnerabilities faced by communities	- MoEFCC will act as designated authority and will be consulted throughout the project design
Aug 2022	- Bagerhar Upazila representatives - Baraikhali UnP representatives - Local women's representatives - Bangladesh Climate Change Trust	- Consultation meeting to understand the success and lessons from the application of the UNCDF's PBCRG Facility	- Success: PBCRG Facility noted as a solid model to channel climate funds for public goods at the local level - Benefits were noted in terms of improved water access - Lesson: crucial to have key representatives from Upazilas involved, particularly in decisions to ensure financial accountability of the funds	- Lessons included in project design
Aug 2022	UNDP	- Discussions on relevant ongoing and planned projects taking place in CHT to ensure synergies, minimize duplication and plan for ongoing engagement	- Agreement on the importance of ensuring minimal duplication and sharing lessons learned and best practices to ensure effective project implementation for all parties - Lessons shared on implementation in CHT, including the importance of on-the ground partners and solid engagement with government representatives at all levels	- Lessons included in project design - Ongoing dialogue to continue during proposal design and implementation phases

Date	Stakeholder(s)	Consultation objective	Outcome	Conclusion
Aug 2022	FAO	- Discussions on relevant ongoing and planned projects taking place in CHT to ensure synergies, minimize duplication and plan for ongoing engagement	- Agreement on the importance of ensuring minimal duplication and sharing lessons learned and best practices to ensure effective project implementation for all parties - Lessons shared on implementation in Bangladesh, with a particular focus on financial instruments, including the importance of having solid relationships with government representations, including at the department level (e.g., Agriculture Department)	- Lessons included in project design - Ongoing dialogue to continue during proposal design and implementation phases
Aug 2022	UNCDF LoGIC team	- Discussions on relevant ongoing and planned projects taking place in CHT to ensure synergies, minimize duplication and plan for ongoing engagement	- Agreement on the importance of ensuring minimal duplication and sharing lessons learned and best practices to ensure effective project implementation for all parties - Lessons shared on implementation of the Facility, including the importance of having criteria for selecting Upazilas, using the NAP and other governmental documents as foundational sources of information for the design of the project	- Lessons included in project design - Ongoing dialogue to continue during proposal design and implementation phases, especially considering that the 10 Upazilas under LoGIC will be phased-in to GRACE-LoGIC-plus
Feb, March, May, July 2023	MoEFCC representatives MoCHTA representatives Ministry of Local Government, Rural Development and Cooperatives	- Several inter-ministerial consultations with the main three Government of Bangladesh ministries	- MoEFCC agreed to endorse the concept note and to prepare the official endorsement letter to the Adaptation Fund - MoTCHA and the Ministry of Local Government, Rural Develoment and Cooperations agreed to the design and submission of the project to Adaptation Fund - Advice was received during these consultations, including: importance to building awareness against environmental pollution and degradation in addition to climate change; ecosystem and natural resource management must be included in terms of potential interventions; recommendation to consult with Environment, Forest and Agriculture departments; project must ensure complementarity with other projects taking place in CHT	- Endorsement by MoEFCC received as designated authority, including official endorsement letter - Endorsement by MoCHTA for the design of the project - Endorsement by the Ministry of Local Government, Rural Development and Cooperations for the design of the project - Advice received and taken into consideration in the project design

Date	Stakeholder(s)	Consultation objective	Outcome	Conclusion
May 2023	Bangladesh Forest Department	- Discussions to receive their advice and recommendations in terms of the NAP sectors, and proposed intervention menu	- Advice was received during these discussions, including: water access and water quality is of high importance for CHT - strong focus should be made to water management interventions; agriculture interventions should be minimized as these contribute to the water issues; forest management interventions should be a large focus	- Advice received and taken into consideration in the project design
July 2023	Department of Environment	- Discussions to receive their advice and recommendations in terms of the NAP sectors, and proposed intervention menu	- Advice was received during these discussions, including: all three NAP sectors are of importance for CHT and should be included in the investment menu; water access and water quality is of high importance and should be prioritized	- Advice received and taken into consideration in the project design
July 2023	Department of Agriculture Extension	- Discussions to receive their advice and recommendations in terms of the NAP sectors, and proposed intervention menu	- Advice was received during these discussions, including: all three NAP sectors are of importance for CHT and should be included in the investment menu; water access and water quality is of high importance and should be prioritized	- Advice received and taken into consideration in the project design
July 2023	Representatives (41 total participants - 5 females and 36 males, including representation from tribal groups) from: (A) CHT Development Board; Bandarban Hill District Council Office; Khagrachari Hill District Council Office; Rangamati Hill District Council Office; District Council Office, Bandarban; District Council Office, Khagrachari; Forest Division, Khagrachari - (B) Department of Environment, Bandarban; Department of Agriculture and Extension, Bandarban; Department of Agriculture Extension, Khagrachari; Department of Agriculture and Extension, Rangamati; Department of Forest, Rangamti; District Education Office, Bandarban; Local Government Engineering Department, Khagrachari - (C) Upazila Parishad; Upazila Laxmichair; Upazila Mamikchair; Upazila Guimara; Upazila Matioranga; Upazila Naniarchar; Upazila Ruma - (D) Rangamati Women Chamber; University of Chattogram; Bandarban Association; Bangladesh Parjatan Corporation,	- Comprehensive district and Upazila levels consultation workshop jointly organized by MoEFCC, MoCHTA, UNCDF and ICIMOD to consult with CHT district and Upazila level representatives, bringing together government officials, non-state institutions and experts with interests in the CHT region and build a common understanding of the unique vulnerabilities and opportunities there with respect to climate change.	- The session was an opportunity to facilitate discussions on adaptation actions that would be most effective in the CHT region, co-explore potential sectorial interventions, and better understand the adaptation needs of Upazilas in the three target districts in the CHT. - Together, participants ranked vulnerabilities; target Upazilas by vulnerability, and discussed their preferences for the adaptation actions that they would find most needed. - Top climate challenges for Upazilas (from more significant to least): landslides, rainfall variability, extreme heat waves, drought, extreme cold, lightning, tropical cyclone, flashfloods, storm surges) - 12 interventions from the investment menu were recommended by participants to be prioritized. - Participants also prioritized the Upazilas where adaptation actions could make a significant contribution to building a green, resilient, and adaptative economy in CHT.	- Feedback received and taken into consideration in the project design

Date	Stakeholder(s)	Consultation objective	Outcome	Conclusion
	Khagrachari; Xen Office, Rangamati; Parjatan Motel, Bandarban; ASHIKA Development Associates, Rangamati; Progressive - (E) MoEFCC; MoCHTA; LGD; UNCDF; ICIMOD			
November 2023	A total of 58 participants attended in the local community consultation workshop, including 50 Mauza Headmen from Khagrachchi, Rangamati, and Bandarban districts, ensuring tribal group representation. Additionally, key representatives from organizations such as CHT Development Board, Rangamati Hill District Council, MoCHTA, UNCDF, and ICIMOD were also present, fostering diverse perspectives.	The Local Community Consultation and Interaction Workshop aims to bring together representatives of local communities, tribal groups and stakeholders supporting the GRACE program to understand the unique vulnerabilities and opportunities of CHT. Its facilitated discussion opportunity, identifies innovative adaptations, and prioritizes NAP solutions to address climate change challenges, emphasizing gender equality, sustainable livelihoods, ecosystem conservation, and adaptation investments needed at the Union or local level.	The Local Community Consultation and Interaction Workshop brought together diverse local stakeholders to comprehensively assess CHT's climate change vulnerabilities and opportunities for adaptation. Through collaborative ranking, participants (Headmen) identified key climate challenges for Unions and prioritized adaptation actions crucial for each vulnerability. They recommended 12 interventions from the investment menu for prioritization. Participants also prioritized the Union where adaptation actions could make a significant contribution to building a green, resilient, and adaptative economy in CHT.	Received valuable feedback and considered it in the project design, specifically the importance of early warning systems and Timely dissemination of hazard info, updated risk assessments, expanded early warning system benefiting targeted population groups
November 2023	Bangladesh Meteorological Department	Discussions to receive their advice and recommendations in terms of the NAP sectors and proposed intervention menu	The advice received during these discussions, NAP sectors into CHT's investment menu is crucial. Particularly, prioritizing water resources, disaster readiness, and social safety is necessary. Urgent action on early warning in landslide mitigation are specifically needed for climate change adaptation.	Advice received and taken into consideration in the project design, specifically on potential linkages with the landslide early warning system and thunderstorm monitoring systems

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I. Provide justification for funding requested, focusing on the full cost of adaptation reasoning.

Bangladesh is one of the countries most vulnerable to climate change. It is also the 8th most populous country in the world, and yet requesting funding with the same limits per country as others that may be a fraction as populous and a fraction as vulnerable (i.e., it has the same country cap for funding from the AF as less vulnerable countries with smaller populations). Bangladesh is in the process of changing from a Least Developed Country (LDC) to a lower-middle income country by 2025, which demands enormous investments focused on development goals such as income and employment. Bangladesh needs more resources to invest in other areas, such as climate change, and in a perfect world, it would not have to since it is one of the countries least responsible for the effects of climate change. The CHT is also vulnerable to erosion, landslides, and floods. Heavy seasonal rainfall and steep topography mean that only 5-6% area of the region is suitable for intensive agricultural cultivation. Climate-exacerbated topsoil erosion and escalating rainfall periods are increasing food insecurity. The population in the area already has higher poverty levels than the national average. Local people are also economically vulnerable to climate change.

Despite their mandates, convening power, and being on the frontline of climate change, close to communities, local governments are unable to contribute effectively to climate change adaptation and resilience building due to: a lack of awareness and incentives to focus on the issue of climate change adaptation; an inability to finance the incremental costs of climate change adaptation and a lack of appropriate budgetary allocations from the national level. LGAs in these districts need more capacity and access to finance to lead adaptation interventions. And since LoCAL interventions and benefits are local, inclusive, and for the public good, non-refundable subsidies to local governments are the most suitable mechanism to fund adaptation investments to cover the costs and risks of the proposed outputs.

AF support is necessary for the project's proposed interventions to be identified, designed, and financed. This situation justifies using non-repayable grants deployed as technical assistance, capacity-building grants, and result-based payments in PBCRGs. PBCRGs cover the additional costs of making investments climate resilient or the full costs of climate investments justified by climate risks. PBCRGs are large enough to lead to impactful investments; but are small enough so they do not substitute for development grants. Ultimately, the project embeds technical, institutional, and operational sustainability at local levels, while performance-based finance incentivizes improvements in efficiency and effectiveness. The approach outlined ultimately reduces incremental cost or risk premiums and the dependence on grant finance for adaptation.

No co-financing is being sought at this stage of the project. Implementing the LoCAL PBCRG system allows for delivering this project’s outcomes and outputs regardless of co-financing from other sources. Once the system is in place, the greater the amount of funding, the greater the number of climate-resilient subprojects that can be done, and the wider their impact can be. The proposed project is well-aligned with the AF’s investment priorities, and successful implementation should contribute to the achievement of improved climate resilience:

Component 1: Capacity building and mainstreaming Climate Change Adaptation (CCA) into the local government system for resilience interventions aligned with the Performance-Based Climate Resilience Grant (PBCRG) mechanism.

Baseline: Upazila/sub-district-level climate change adaptation planning and coordination needs to be consistent across Bangladesh and requires additional awareness, institutional structures, capacity-building, and procedures. Local governments need more financial resources and capacity to initiate adaptation projects themselves, so CCA needs to be better integrated into the plans and budgets of LGAs.

Adaptation alternative: All Upazilas in the CHT have established a formalized structure for coordinated and vertically integrated CCA planning, increased their understanding of local climate change adaptation, and established new procedures. Climate change adaptation is mainstreamed into the planning and budgeting processes, and the voices of the communities and the most vulnerable inform LGA plans and investments.

Component 2: Grant facility and PBCRG mechanism for adaptation intervention.

Baseline: Financial resources for climate investments at the local level are extremely limited to non-existent, requests for such resources are backlogged, and if it takes place, distribution of such resources is most often done through project approaches or parallel systems. LGAs cannot use their systems for planning, budgeting, and execution of climate investments. There are no systematic processes and procedures to enable local climate-resilient financing through a dedicated facility.

Adaptation alternative: LGAs of CHT have increased access to climate finance for locally-led adaptation in a predictable, transparent, and accountable manner. As they work through the PBCRGs, they have improved their operational preparedness to integrate the PBCRG into local planning and budgeting processes to enable climate-resilient financing and deliver and report on climate investments.

J. Describe how the sustainability of the project/programme outcomes has been taken into account when designing the project/programme.

Focusing on performance-based and bottom-up approaches, the project aims to build legitimacy, opportunities, and technical, institutional, and operational sustainability locally. This will encourage continuous improvements over time and attract private-sector co-finance for enhanced resilience. Sustainability will be ensured through establishing institutional processes for climate change adaptation at the Upazila/sub-national level, strengthening local governments' capacities, better managing climate risks to make local investments more attractive to financial institutions, and leveraging lessons learned for further methodology improvement.

The success of this approach from a sustainability point of view can be further illustrated with the examples from the Global LoCAL program. LoCAL has provided a framework to pursue access to international climate finance through a country-owned facility to localize climate action and introduce a learning approach through PBCRGs accompanied by annual performance assessments. The facility has incentivized local governments to pursue higher standards in climate resilience planning, budgeting and management, governance, and public financial management in general. Learning increases as LoCAL is deployed, as follows: Phase I: Test. The aim is to test the mechanism in several local governments (between two and four) for 1-2 investment cycles; Phase II: Consolidate. This phase integrates the lessons of the first phase. It is deployed to at least 5-10 local governments in different regions and/or ecosystems; and, Phase III: Systematise. This phase progressively covers all vulnerable local governments of a national territory. The success of this approach from a sustainability point of view can be illustrated with the example of Bhutan, one of the first countries to benefit from LoCAL and is also in the process of deploying phase III. The mechanism initially covered two

gewogs (LGAs), then gradually fourteen. It has been expanded to 100 out of 105 gewogs as part of the national roll-out, with support from the European Union. Building on the Upazilas covered by LoGIC, this project will scale up to 25 X Upazilas within the three districts of the CHT.

As the LoCAL program continues to scale up in Bangladesh, emphasis will be placed on mobilizing additional domestic and external resources and the ownership of processes – particularly the PBCRG system – by national and local governments, communities, and the private sector to secure sustainability. The actors' capacities will be strengthened for climate-informed planning, implementation of the PBCRGs, and management of investments.

Sustainability will again be ensured using the PBCRG system. One of the Performance Measure indicators is the “extent to which project investments incorporate sustainability concerns.” LGAs will be rewarded for their performance on environmental screening, assessments, and whether investments have integrated sustainability and management plans. The better an Upazila performs in sustainability performance measures in its Annual Performance Assessment (APA), the more PBCRG it will be allocated in the subsequent year. Upazilas that fail to meet sustainability standards can only receive a new grant allocation if they take appropriate corrective actions. So, not only will there be assurances that minimum conditions are met to include sustainability in local plans, but there will also be incentives for Upazilas to perform as high a standard as sustainability measures.

Technical sustainability: During the project, sub-district technical staff will be engaged and their capacity will be strengthened, particularly in climate change adaptation. These empowered experts will continue providing technical support to communities beyond the project's duration. The project will also disseminate lessons learned to other Upazilas and districts in Bangladesh, promoting successful interventions elsewhere. Through participatory approaches, local community members will gain technical knowledge and skills, fostering ownership and sustained engagement in climate change adaptation beyond the project's lifespan.

Financial sustainability: Financial sustainability will be enhanced by concentrating AF funding on the higher-cost initial capital expenditures required to set up the LoCAL mechanism in the Upazilas of the project area's three districts. Subsequently, annual operating costs reduce substantially as they become part of ongoing local budgetary commitments. Once the system for intergovernmental fiscal transfers is established and LGAs perform credibly, any donor or the government can channel additional resources for climate resilience enhancement through the system with no additional overhead cost. Financial sustainability will be ensured for each intervention at the local level with user fees, as done in the previous two phases of LoCAL in Bangladesh.

Environmental sustainability: Environmental sustainability will be ensured through locally-determined project activities chosen from the investment menu for LoCAL Bangladesh, which has already been cross-checked for environmental screening criteria (see section A for details on the criteria). Upazila LGAs will be rewarded for their performance on environmental screening and assessments and whether investments have integrated sustainability and management plans.

Institutional sustainability: The project interventions will be based on a deep understanding of local realities in Bandarban, Khagrachhari, and Rangamati districts. Collaborative interventions and local participation will be facilitated through thorough knowledge of the areas and local people. Marginalized groups, local government officials, and other development

actors will actively participate. The project will leverage local tribal knowledge, successful experiences, and lessons from other projects to enhance climate resilience and adaptative capacities of communities and ecosystems. Critical stakeholders, including villagers, will identify, plan, implement, monitor, and evaluate community-based initiatives. Existing government and community infrastructures will be used, with the government providing technical support. Each Upazila's community members and local government officials will take ownership of the interventions, and project assets will be handed over to local institutions for ongoing management and operations.

Economic sustainability: This project will provide capacity support for LGAs to plan and mainstream adaptation. Implementing the PBCRG system also improves the financing of each Upazila's needs for adaptation. The project also demonstrates an alternative path for donor funding to address development challenges through adaptation and capacity development at the local level, close to the needs of the communities. Once the PBCRG system has been operationalized, LGAs can continue to use it to fund adaptation activities using other funding sources beyond the project's lifetime.

Social sustainability: The project will include a participatory process of development and decision-making in the design of local interventions. This will include LGAs, local stakeholders, and project beneficiaries, particularly women and local tribal groups. This will lead to attitudinal support from the people and enhance a sense of ownership of the project's interventions amongst the stakeholders and sustainability beyond the project's lifetime.

K. Provide an overview of the environmental and social impacts and risks identified as being relevant to the project/programme.

The entire project was screened for environmental and social risks against the 15 principles outlined in the AF's Environmental and Social Policy, as set out in the table below. The project builds on the global implementation of the Local Climate Adaptive Living mechanism, managed by UNCDF, which provides a standard and internationally recognized country-based mechanism for channeling climate finance to local authorities in developing countries.

The project also builds on the experience from the LoCAL-Bangladesh Phase I (which piloted the PBCRG mechanism in one district in Bangladesh) and the Local Government Initiative on Climate Change (LoGIC), which builds on the LoCAL model, in seven districts (Bagerhat, Barguna, Bhola, Khulna, Kurigram, Patuakhali, Sunamgani) of Bangladesh. The project districts have been identified based on the outcomes of detailed stakeholder consultation during FP development.

The project is not expected to generate any significant environmental/social impacts or risks. The project components are intrinsically risk-averse with respect to social and environmental impacts. Component 1 of the project focuses on capacity building and mainstreaming Climate Change Adaptation (CCA) into the local government system for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism. Component 2 activities will provide a grant facility and PBCRG mechanism for adaptation intervention.

The project is designed to have a positive environmental and social impact based on lessons learned and synergies with other projects and through consultations with stakeholders and target communities. Communities will select the locally appropriate activities supporting adaptation in their contexts. Based on the initial risk screening, some inherent risks may come into play throughout the project's life, especially because the project targets vulnerable and

marginalized groups, including tribal groups, women, and remote communities of people living in poverty. The investment menu items for the top-up grant for project activities have been cross-checked for environmental and social screening criteria as part of the NAP development process to meet local and national standards. The project activities will be designed to create a positive environmental impact with attention to minimizing any collateral environmental effects.

The project is classified as category B due to the inclusion of Unidentified Sub-Projects (USPs), and the exact localities to be covered under the LoCAL initiative have not yet been identified. Because this project includes USPs that cannot be screened or assessed at this time, a review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, mitigated and the overall project risk category B is not exceeded. The project will uphold the ESP by ensuring that: (1) All MoUs and agreements of cooperation under the project will include detailed reference to the ESMP, including the 15 ESP Principles; (2) The terms of reference of project committees and project team members will include detailed reference to the ESMP, including the 15 ESP Principles; (3) the project's monitoring and evaluation framework will integrate the ESMP and be aligned with the ACCAF and approved by the project's governing committees; and (4) a grievance mechanism will be adopted to ensure that affected stakeholders can raise concerns, anonymously and transparently.

All funded USP projects will be subject to and will follow Bangladesh's applicable social and environmental regulations. This will also be assessed as part of the annual performance assessments. Nevertheless, all potential activities under Component 2 are small in scale (managed at the household or community level), and these activities are likely to enhance environmental and social conditions; their potential negative impacts are very limited and can be readily mitigated.

Checklist of environmental and social principles	**No further assessment required for compliance**	**Potential impacts and risks - further assessment and management required for compliance**
Compliance with the law		**Risk**: low **Impact**: Low This project is structured to align with Bangladesh's legal and regulatory frameworks. In its development phase, thorough consultations with relevant national, regional, and district authorities have been conducted, ensuring that every aspect of the project adheres to the legal standards. This consultative approach will be consistently maintained throughout the project implementation, with continuous engagement of authorities to confirm compliance with all pertinent laws. The project will ensure that a description of the legal and regular frameworks will be required for all interventions and grantees to ensure compliance is met throughout the implementation of the project. This will further ensure that every project step, from planning to execution, meets the necessary legal compliance standards.

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks - further assessment and management required for compliance
Access and Equity		**Risk**: low **Impact**: low The project's Component 1 will focus on building capacity for stakeholders to ensure they can effectively participate in the project and apply for grants. The project's second component is designed to promote equitable access to its activities, particularly for women and tribal groups in the targeted Upazilas. Information about the project and its grant application process will be made widely accessible, including translations into local languages, to ensure understanding and participation among all community members. It is important to note that the Grant facility and PBCRG mechanism for adaptation intervention selection criteria will focus on enhancing participation from different vulnerable communities (women and tribal groups). While aiming to benefit these groups economically, the project will also implement measures to prevent any disadvantages or conflicts that might arise from these interventions. Regular consultations with communities will be conducted to address any access and equity barriers in line with the AF's ESP, ensuring that the project's benefits are distributed fairly and inclusively.
Marginalized and Vulnerable Groups		**Risk**: low **Impact**: low In this project, particular emphasis is placed on engaging marginalized and vulnerable populations, including women and tribal groups. Through the LoCAL PBCGF mechanism, these groups will be given a voice in the intervention design and decision-making processes. Besides that, the project's initiatives are shaped to empower these groups, acknowledge their unique knowledge, and improve their access to necessary resources. For instance, initial consultations during proposal development were tailored to inform and encourage their active participation.
Human Rights		**Risk**: low **Impact**: low The IE and its partners affirm the fundamental human rights of all people. In compliance with laws, regulations, and local government authority (LGA) guidelines, the project ensures that its operations and all associated activities fully adhere to established human rights principles. The project will ensure that a description of the legal and regular frameworks will be required for all interventions and grantees to ensure compliance is met throughout the implementation of the project. There is no identified risk of the project violating any human rights aspect, underlining its commitment to ethical and respectful engagement with all stakeholders and communities.

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks - further assessment and management required for compliance
Gender Equality and Women's Empowerment		**Risk**: low **Impact**: low This project emphasizes gender equality, aiming for at least 50% of women beneficiaries. A gender assessment has been conducted, and women and women's groups have been consulted during the community and stakeholder consultations and will continue to be consulted during the project implementation. During full proposal development, more detailed information on the differentiated impacts between women and men at the target district level was gathered through community consultations, and the project activities have been developed based on this. Consultations with gender equality experts during proposal development ensured the project's responsiveness to gender-specific needs and roles. The implementation strategy involves gender mainstreaming and social inclusion practices, focusing on gender equality and women's empowerment. This approach ensures equitable engagement and benefits from project activities, particularly in empowering women and addressing gender-specific challenges in climate-vulnerable areas.
Core Labour Rights		**Risk**: low **Impact**: low This project safeguards core labour rights in accordance with laws, regulations, and local government authority (LGA) guidelines. Besides, the project ensures compliance with national and international labour standards, particularly focusing on the protection of labour rights in all its activities. The project will have a zero-tolerance policy for child labour.
Indigenous Peoples		**Risk**: low **Impact**: low This project is designed to inclusively reach 15% of the population, specifically focusing on integrating local tribal groups. In its commitment to social inclusion, the project applies best practices to ensure that the design and implementation stages are sensitive to the needs and perspectives of different indigenous communities of CHT. Special interventions are planned with the direct involvement of tribal groups, ensuring that their unique cultural, social, and economic characteristics are integrated into project activities. The project further acknowledges the importance of these groups in the local ecosystem and aims to support their sustainable development while preserving their cultural heritage. Participation of tribal groups is encouraged in decision-making processes, ensuring that the project's benefits are equitably distributed and that their rights and traditional knowledge are upheld.
Involuntary Resettlement		Risk: low Impact: low The project is not expected to lead to involuntary resettlement.
Protection of Natural Habitats		**Risk**: low **Impact**: high For this project, safeguarding natural habitats is integral, particularly

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks - further assessment and management required for compliance
		concerning the Unidentified Sub-Projects (USPs). An in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This assessment ensures that each USP's unique environmental and social contexts are taken into account and that mitigation measures and necessary precautions are in place. The USPs will be designed in such a way that their environmental impact is minimal (building upon features of the environment that are already present without introducing new elements). The project also emphasizes the adoption of nature-based solutions for achieving adaptation goals and fostering habitat restoration. This approach is crucial in minimizing impacts on natural habitats and aligning the project's activities with environmental sustainability. The project will implement specific avoidance measures for USPs to protect natural habitats. These include avoiding interventions that could harm sensitive ecological areas or introduce invasive species and ensuring that any development is harmonious with the existing natural environment.
Conservation of Biological Diversity		**Risk**: low **Impact**: High For each Unidentified Sub-Project (USP) in this project, a rigorous review and risk assessment will be conducted to ensure the conservation of biological diversity. This involves assessing environmental and social risks, focusing on potential impacts on local ecosystems. To mitigate risks, the project will avoid interventions that might disrupt local biodiversity, such as introducing non-native species. Instead, it will focus on leveraging indigenous species and diverse ecological practices. Furthermore, regular monitoring and safeguarding measures will be in place for each USP to prevent any adverse effects on biodiversity. Lastly, the project will emphasize nature-based solutions, prioritizing habitat restoration and adaptation methods that support biodiversity. Through these strategies, the project will avoid harm and actively contribute to ecological enhancement in the project areas.
Climate Change		**Risk**: medium **Impact**: high In this project, each Unidentified Sub-Project (USP) will undergo a detailed review and risk assessment process, taking into account environmental and social factors, particularly those related to climate change. The climate rationale will be critically reviewed for each Unidentified Sub-Project (USP) in this project. This assessment process will ensure that each USP is designed with an understanding of its unique environmental and social context and the specific climate risks it faces. Besides that, the project will use updated climate data and information to design and implement each USP, focusing on mitigating the impacts of climate change. This approach will include planning for adaptation measures and identifying safeguards to address the anticipated climate-related risks. Moreover, it will prioritize interventions that are resilient to climate variability and changes, ensuring that the activities of each USP contribute to reducing vulnerability to climate change.

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks - further assessment and management required for compliance
		Lastly, there will be monitoring mechanisms to continuously evaluate the effectiveness of the implemented climate adaptation and mitigation strategies. The aim is to ensure that each USP addresses current climate challenges and is equipped to handle future climate scenarios, thereby contributing to the long-term resilience of the communities and ecosystems involved.
Pollution Prevention and Resource Efficiency		**Risk**: low **Impact**: medium Each Unidentified Sub-Project (USP) in this project will be thoroughly assessed for pollution risks and resource efficiency. This process will ensure that environmental impacts are minimized. Further emphasis will be given to preventing air, soil, and water pollution and employing nature-based solutions for adaptation goals. Additionally, by promoting the circular economy concept, the project will prioritize resource efficiency, with strategies to reduce waste and promote sustainable resource use.
Public Health		**Risk**: low **Impact**: high The project is designed to prioritize public health, incorporating safeguards and mitigation measures to prevent any detrimental health impacts. Health considerations will be integrated into the planning and implementation of each USP, ensuring that public health risks are minimized. Considering the above objectives, under this project, each Unidentified Sub-Project (USP) will undergo an extensive review and risk assessment, including a health impact screening. This process will ensure compliance with laws, regulations, and local government authority guidelines regarding public health. The assessment will also identify and address any potential health risks associated with each USP's environmental and social context.
Physical and cultural heritage		**Risk**: low **Impact**: low This project places significant importance on complying with laws, regulations, and local guidelines concerning preserving physical and cultural sites. During the proposal development stage, thorough consultations are conducted to identify the presence of any physical and cultural heritage sites, especially cultural heritage sites of indigenous community members. This identification process is crucial for incorporating these strategies into the project intervention design process. Through continuous engagement with stakeholders and communities during implementation, the project will ensure that any physical and cultural heritage present at project sites is protected. The project's design and activities are also tailored to avoid potential negative impacts on these heritage sites, thereby maintaining their integrity and value. In addition, the project is designed to respect and preserve the cultural heritage of the communities involved. Interventions are planned and

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks - further assessment and management required for compliance
		implemented in a manner that does not disrupt or harm any identified physical or cultural sites.
Land and soil conservation		**Risk**: medium **Impact**: high In this project, particular emphasis has been provided on ensuring compliance with land use laws, regulations, and local government authority guidelines. The project will conduct an in-depth review and risk assessment for each Unidentified Sub-Project (USP). This process will specifically focus on land and soil conservation, screening for environmental and social risks, and planning appropriate mitigation measures. Also, the project is designed to consider each USP's unique environmental and social settings, prioritizing nature-based solutions to promote land and soil conservation. The interventions will focus on preventing land degradation and encouraging sustainable land management practices. The project's emphasis on nature-based solutions aligns with its adaptation and environmental sustainability goals. All activities within the USPs will be regularly monitored to ensure that their impact on land and soil is minimal, manageable, and, where necessary, easily remediable. This approach ensures that the project avoids negative impacts on land and soil and actively contributes to their enhancement and protection.

The risks identified in the table above have been further analysed during the environmental and social risks screening that is included in Annex 7. This consists of further consideration of indirect and cumulative risks. Mitigation measures have been identified and are included in the Environmental and Social Management and Monitoring Plan (Annex 7).

Once the USPs of Component 2 are defined during project implementation, environmental and social risk screening will be carried out at the community level and in consultation with the beneficiaries. The implementers will duly seek coordination with GoB agencies, especially environmental-related agencies (see Annex 7). Activities with a medium or high risk will not be considered for implementation under Component 2. The project will include a Grievance Mechanism for the beneficiaries and affected populations described in Annex 8.

PART III: IMPLEMENTATION ARRANGEMENTS

A. Describe the arrangements for project/programme management at the national level, including coordination within the country. Describe how the potential to partner with national institutions, and when possible, national implementing entities (NIEs), has been considered, and included in the management arrangements.

Project Governance

The GRACE-LoCALplus project, will be led by ICIMOD as the Executing Entity, who will be responsible for overall project management. ICIMOD follows globally recognised project management standards that build a culture of efficiency, effectiveness, internal control and compliance, and monitoring and reporting. These standards will be applied to the management of the GRACE-LoCALplus project. All projects and programmes implemented by ICIMOD are supported by business services (e.g., Business Development and Resource Mobilisation; Finance and Administration, including Human Resources; and Strategic Planning, Monitoring, and Evaluation and Learning [SPM&EL]) with delivery and management approaches, processes, guidelines, and tools based on industry standards.

The project will operate under a three-tiered governance structure, as illustrated in Figure 7. This structure comprises of the GRACE National Project Steering Committee (GNPSC), GRACE National Project Implementation Committee (GNPIC), and the Project Team.

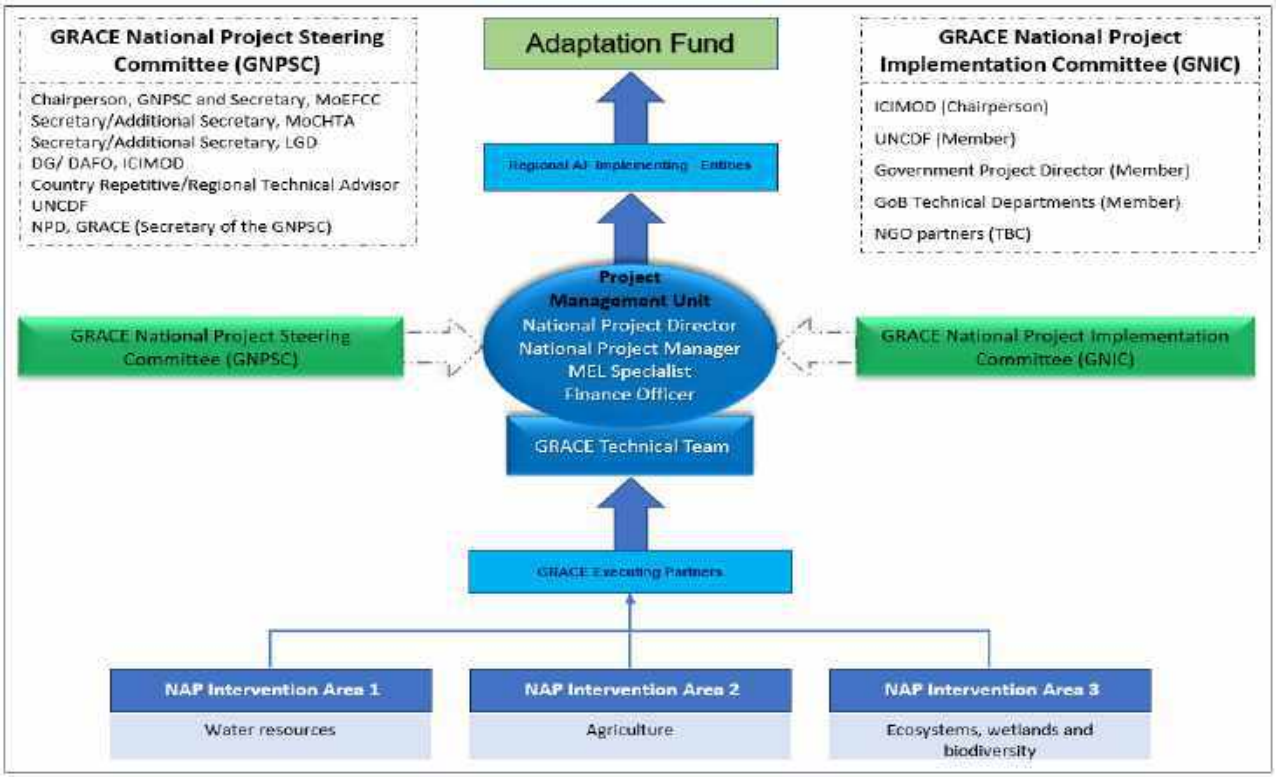


Figure 7: GRACE LoCALplus Project Management Structure

The **GRACE National Project Steering Committee (GNPSC)**, composed of representatives from MoEFCC (chair), MoCHTA, Local Government Division (LGD), ICIMOD and UNCDF, will be created to provide an oversight of annual work planning, implementation and project progress, and reviews. It will meet twice/year. It also ensures that Environmental and Social Safeguard risks are monitored and addressed.

A **GRACE National Project Implementation Committee (GNPIC)**, consisting of representatives from ICIMOD (chair), UNCDF and government technical departments/NGO partners (TBC during upcoming consultations). This Committee will meet regularly (at least quarterly) and will coordinate annual work planning, governance agreements, tracks project progress (technical and financial), and facilitates implementation. It also ensures compliance with all AF requirements, including Environmental and Social Safeguards.

The **Designated Authority** for this project is the Ministry of Environment, Forest and Climate Change (MoEFCC). The project will follow strictly to the rules and regulations, policies, and procedures set forth by the Government of the People's Republic of Bangladesh (GoB), ICIMOD, and as UNCDF. In this regard, GoB will designate a **National Project Director (NPD)** who will be a Senior Government Official from the LGD or MoCHTA, providing up to 30% of his/her time, responsible for overall direction and strategic guidance to Project Management Unit for timely delivery of project outputs.

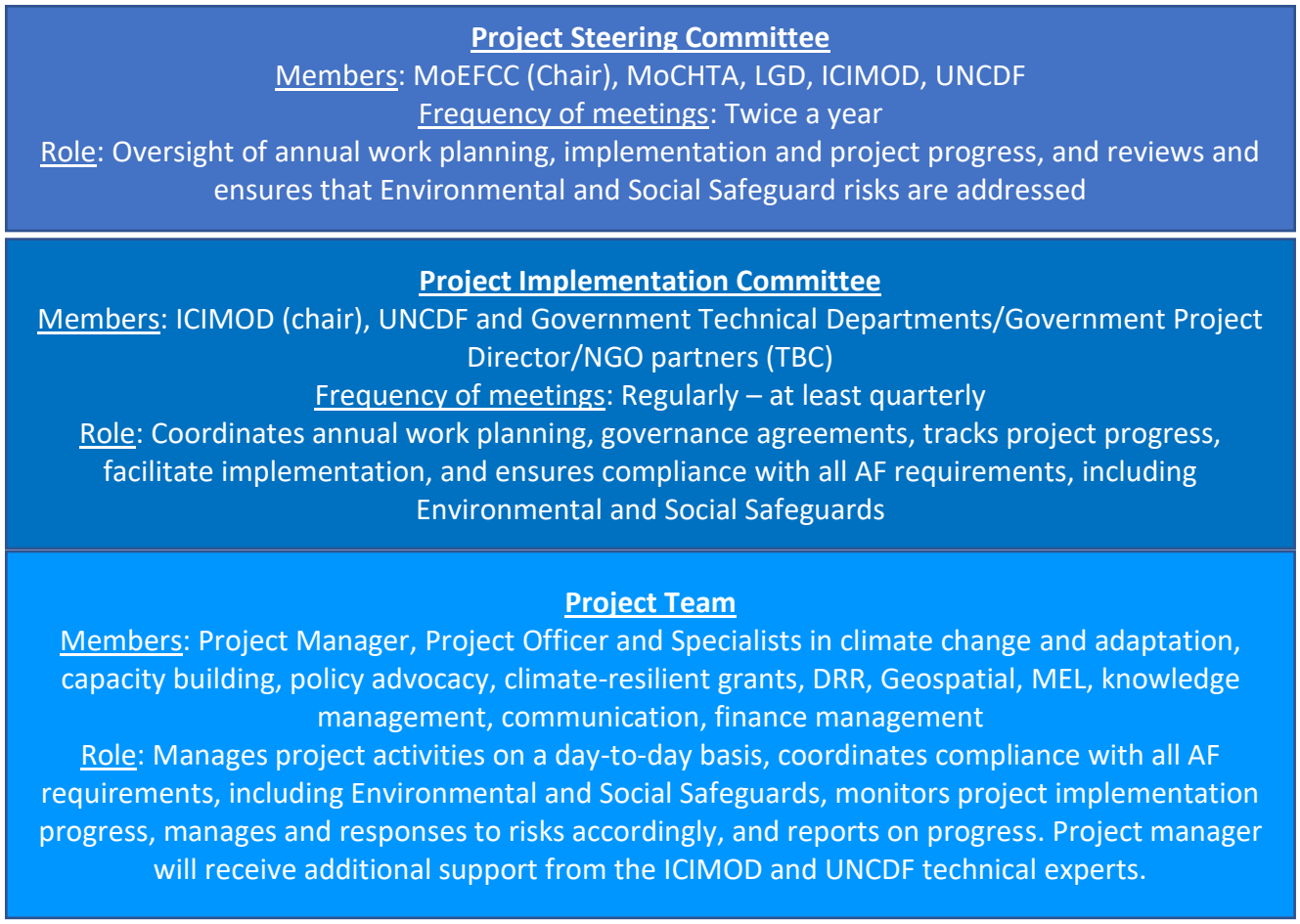


Figure 8. Project organogram

The **Project Management Unit (PMU)** will be located at ICIMOD and will be headed by a **Project Manager (PM)**, who will be responsible for overall management of project, including day-to-day operations, management of professionals and technical staff and budget utilization and close liaison and coordination with the National Project Director and the Project Office located in Bangladesh, managed by a Project Officer (PO). The PM will undertake frequent travel to Bangladesh, and will work very closely with the Project Officer. S/he will ensure project quality delivery, progress reporting, results reporting, standards, fiduciary risks, and relationship management to ICIMOD and UNCDF. The Project Manager will also liaise regularly with the relevant ministries of the Government of Bangladesh to discuss progress, risks and issue management, and annual reflections and agree upon project adjustments. This is in addition to his/her responsibility for quality assurance to ensure effective and accountable project management. The Project Manager (PM), will be recruited by ICIMOD, in consultation with NPD and UNCDF. ICIMOD and UNCDF will play a Project Assurance Role. 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 development partners, and management of project personnel.

The GRACE **Project Team** will comprise of a range of relevant skills and expertise, including in climate change, adaptation, capacity building, policy advocacy, climate-resilient grants, MEL, knowledge management, communication, and finance management. The Project Team, will also be recruited by ICIMOD in consultation with NPD and UNCDF. The Project Team will be responsible for delivering day-to-day project activities, coordinating compliance with all Adaptation Fund requirements, including Environmental and Social Safeguards, monitoring project implementation and progress, managing and responding to risk accordingly and based on the risk management plan, reporting on progress, and coordinating annual reflections and proposing any deviations to the workplans. A participatory approach will be used to coordinate the programme to make use of all the team's strengths. Regular meetings and communication mechanisms will be used to monitor the successful completion of GRACE LoCALplus activities, outputs, and outcomes and discuss risks and adjustments as needed.

The Project Office, where the Project Officer will be located, is to be located in secure premises, preferably within a GoB office premise or any other UNDSS security-cleared premises for the project implementation period. The Project Office will perform, be responsible for, and oversee the following: (a) Operational functions, (b) Equipment and furniture (c) Vehicle management including fuel and maintenance, (d) Stationery (e) ICT supplies (f) Printing and publishing (g) Office maintenance and utilities (h) Contingency (i) Travel (j) Audit (k) Spot checking (l) Monitoring and (m) Evaluation. Procurement, which involves construction, physical work, and public works, will be done by the PMU following the government's Public Procurement Regulation 2010. All other goods and services (e.g., Human Resources, Consultants, and Office Equipment) will be procured by ICIMOD and UNCDF following respective procurement policies.

Official Collaboration Arrangements

ICIMOD and UNCDF LoCAL have signed a Memorandum of Understanding (MoU) in February 2023 that provides a framework and guiding principles for non-exclusive cooperation and facilitate and strengthen collaboration between the Parties in the areas of common interest, including promoting awareness and cooperation, technical collaboration, capacity development, knowledge development and joint resource mobilisation (as seen in this proposal).

MoCHTA serves as one of the nodal ministries for ICIMOD and plays a pivotal role by providing a core contribution to ICIMOD's endeavors. ICIMOD will coordinate the signature of a Letter of Intent with MoCHTA, which will provide the endorsement to implement the project in the CHT. The Letter of Intent will specify in detail the activities to be implemented by the project, the timeframe and the deliverables expected.

UNCDF LoCAL has a MoU with the Ministry of Local Government, Rural Development Cooperation in support of the establishment, financing and management of the LoCAL Climate Adaptive Living – LoCAL II based grant facility under the Project: LoCAL Government Initiative on Climate change (LOGIC). This MoU remains relevant for this project and will ensure continued collaboration with LGD.

B.Describe the measures for financial and project/programme risk management.

The status of financial and project risks, including those measures required to avoid, minimize, or mitigate these risks, will be monitored throughout the project, in addition to environmental and social risks.

Table 11: Project/Programme Risk Management

Risk	Predicted Likelihood (1-Rare, 2-Unlikely, 3-Possible, 4-Likely, 5-Almost Certain)	Predicted Impact (1-Low, 2-Minor, 3-Moderate, 4-Major, 5-Severe)	Management/Mitigation Strategy
1. **Environmental**: extreme weather events or natural disasters affect progress of adaptation interventions, or hamper progress of other activities like capacity building, workshops, etc.	3	3	Seasonal changes in weather will be taken into account when planning any physical activities under climate adaptation interventions. Climatic variability will also be closely monitored
2. **Political**: Turnover in key government positions that are critical to project's success, like local government leadership	2	2	Flexibility can be maintained in training budget to train new government staff
3. **Social**: Disagreement among local governments and communities stakeholders on selection of adaptation	3	3	Set criteria will be used by local communities to select adaptation interventions, and a participatory process will be used with

Risk	Predicted Likelihood (1-Rare, 2-Unlikely, 3-Possible, 4-Likely, 5-Almost Certain)	Predicted Impact (1-Low, 2-Minor, 3-Moderate, 4-Major, 5-Severe)	Management/Mitigation Strategy
interventions			communities in the development and design of interventions. Awareness raising will also be done to ensure communities are aware of the importance of climate adaptation activities
4. **Financial**: Improvements in Government Public Financial Management (PFM) processes do not take place to the extent expected, affecting the availability of finance at local levels.	3	4	Capacity building support for LGA on government system and financial audits will be undertaken.
5. **Social**: Lack of commitment or long-term buy-in from communities. Communities may not continue adaptation work after the project closes	3	2	Interventions will be institutionalized in local governments, and governments and communities will be trained on the importance of climate adaptation. Communities will be involved throughout the project to maximize buy-in and increase ownership. Communities have already been consulted on the project and will continue to have an active role.

C.Describe the measures for environmental and social risk management, in line with the Environmental and Social Polic of the Adaptation Fund.

Based on the initial risk screening below, there are some inherent risks that may come into play throughout the life of the project, especially because the project targets minority, vulnerable and marginalized groups, including tribal groups, women, and remote communities of people living in poverty. While the investment menu items for the top-up grant for project activities has been cross-checked for environmental and social screening criteria to meet local and national standards and the ESP of the Adaptation Fund, the project is classified as category B due to the inclusion of Unidentified Sub-Projects (USPs). Because this project includes unidentified sub-projects that cannot be screened or assessed at this time, a review process will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required monitoring processes. This will ensure that risks inherent to the unique environment and social setting of each USP are taken into consideration, and the USP will not go ahead if the risks are deemed unacceptable.

In addition to the more specific mitigation measures and monitoring activities described in table 8, the project will coordinate with national and local governments to ensure compliance with national and local standards and laws. Stakeholder consultations will be conducted with community groups, local tribal groups, women's groups in proposed project areas to ensure that project activities are developed in a participative manner and include the views of marginalized and vulnerable groups that may be directly or indirectly affected by the project. Ongoing engagement will continue with project participants even after projects are funded by PBCRG to ensure that no unintended consequences are arising and that risks are managed.

A grievance mechanism will be put in place and made accessible to all communities and stakeholders affected by project activities, and that considers unique needs of all community members (ie. Literacy rates, languages, mobility, etc). The grievance mechanism will be advertised at all project touchpoints such as trainings, workshops, etc. As well as during community consultations for the project. Project staff will also be prepared and given direction on how to recognize signs of grievances, and directed to manage and report the grievance appropriately. The mechanism will protect anonymity of reporters.

Table 12: Environmental and Social Risk Management and Mitigation Plan

Environmental and social principles	No further assessment required for compliance	Potential risks – requires further mitigation or monitoring for compliance	Risk Assessment	Mitigation Measures (if needed)	Risk Monitoring Plan (if needed)
Compliance with the Law	**X**		A description of the legal and regulatory framework will be required for interventions that may require prior permission (such as planning permission, environmental permits, construction permits, etc.)		
Access and Equity		**X**	While every household in the project area will have equal opportunity to project interventions, there is a low risk that priority setting will be done inadequately and prevent access of some to the project, including women, youth, and people from local tribal groups.	Clear and transparent criteria will be put in place including the selection of participants for the trainings and workshops and ensure equitable participation. A description of the project, its benefits, and the process by which the project ensures fair and impartial access to benefits (such as statement of non-discrimination) will be produced and communicated within each Upazila. Information about the project will be translated into all relevant local languages, and special effort will be made to ensure that this information reaches women and local tribal groups.	Monitoring will be done to assess level of awareness about the project among minority groups like women and tribal groups. Targets for inclusion of women and local tribal groups will be set for all project activities to better assure participation of minority groups. All data collected on participation of communities in any project activity will also be disaggregated by gender and tribal group to monitor the situation.
Marginalized and Vulnerable Groups		**X**	This project aims to support marginalized and vulnerable groups like women, local tribal groups and people living in extreme poverty in remote areas. While efforts will be made to ensure that marginalized and vulnerable groups are included and can benefit from the project, there may be low risks of these efforts not functioning properly,	One of the benefits of the LoCAL PBCRG system is that it enables more active participation of project stakeholders in the project design and decision-making processes, and this project will include youth, gender and marginalised Local	Targets for inclusion of women and local tribal groups will be set for all project activities to better assure participation of minority groups. All data collected on

Environmental and social principles	No further assessment required for compliance	Potential risks – requires further mitigation or monitoring for compliance	Risk Assessment	Mitigation Measures (if needed)	Risk Monitoring Plan (if needed)
			or being insufficient. The highest risk to marginalized and vulnerable groups is that of exclusion from activities- no other risks of project activities to vulnerable groups have been identified at this stage. This is a risk that will be monitored to assure effectiveness of mitigation measures.	tribal groups in these processes so that the impacts of the projects are socially inclusive and sustainable. This ESMP will be vetted by communities and LGAs to ensure that mitigation strategies take into account real needs or marginalized and vulnerable groups.	participation of communities in any project activity will also be disaggregated by gender and tribal group to monitor the situation.
Human Rights	**X**		The proposed project respects and adheres to all relevant conventions on human rights, national and local laws. All interventions will respect and promote human rights, including equality, freedom of expression, association, education, and access to information. When assessing projects, such human rights principles will be considered.		
Gender Equality and Women's Empowerment		**X**	Women and girls are priority targets of this project, due to their specific vulnerability to effects of climate change due to their role in domestic tasks, which keeps them home and implies climate-sensitive work (water, fuel provision). These tasks lead them into increasingly risky areas, exposing them to many location-specific climate-caused dangers. Efforts will be made to ensure that women can benefit equally from this project and that there are no adverse effects that unequally impact women. Nevertheless, should inclusion efforts have unintended consequences or be insufficient, or should project activities have unintended consequences, there may be risk that women are not reached by activities and can't benefit as much as men or that they are negatively impacted. As	This project aims for at least 50% of beneficiaries to be women The full consultative process for the project will be carried out with the participation of gender experts to ensure that the proposed AF project is responsive to various gender needs and roles such that project activities effectively respond to the unique needs of women and men. The project will apply gender mainstreaming and social inclusion best practices throughout the project, including developing specific interventions to advance gender equality and the	Targets for inclusion of women (at least 50%) will be set for all project activities to better assure participation.

Environmental and social principles	No further assessment required for compliance	Potential risks – requires further mitigation or monitoring for compliance	Risk Assessment	Mitigation Measures (if needed)	Risk Monitoring Plan (if needed)
			such, special attention will be paid to monitoring this risk.	empowerment of women and girls: provisioning for gender sensitisation workshops for project partners, including community leaders and government officials; promoting youth engagement in climate action at the community level; ensuring at least 50% women's participation in CCA meetings, dialogues and decision-making. capacity-building training focused on the specific needs and climate vulnerabilities of women and girls; promoting partnerships with microfinance and other grassroots CSOs active in the CHT; and, including gender equality and social inclusion indicators as part of the PBCRG performance assessment system and awarding LGAs accordingly	
Core Labour Rights	**X**		Upazilas will need to adhere to the Labour Standards of Bangladesh and the core labour standards of the International Labour Organisation in the design and implementation of the project in order to receive PBCRGs. Grantees of PBCRGs will be reuired to prepare, adopt, and		

Environmental and social principles	No further assessment required for compliance	Potential risks – requires further mitigation or monitoring for compliance	Risk Assessment	Mitigation Measures (if needed)	Risk Monitoring Plan (if needed)
			implement occupational, health and safety (OHS) measures for every intervention.		
Local tribal Peoples		**X**	There are about 45 distinct Local tribal communities in Bangladesh, accounting for 1.8% of the total population, and the largest concentration is in CHT. The communities where tribal groups reside are particularly at risk of climate-related disasters and the subsequent humanitarian and recovery work is significantly more difficult and expensive. While these communities are specifically targeted by this project, there is a risk that adaptation efforts have unintended negative consequences or efforts to include local tribal groups are insufficient in some way. As such, special attention will be paid to monitoring this risk and monitoring inclusion of tribal peoples and effects of project activities on tribal people.	The design of all the components, activities, and interventions will ensure that local communities and local tribal people involved are consulted and can benefit from the interventions according to their needs. Specific efforts will be made to ensure that all project materials are translated into all local languages to reduce barriers to participation and access.	Targets for inclusion of local tribal groups will be set for all project activities to better assure participation of minority groups. All data collected on participation of communities in any project activity will also be disaggregated by tribal group to monitor the situation.
Involuntary Resettlement	**X**		There will be no Involuntary Resettlement in this project. All infrastructure interventions will be small-scale and the land to be used for these interventions will come from public land.		
Protection of Natural Habitats	**X**		The implementation of ecosystem-based adaptation activities such as tree planting for erosion protection should have positive effects on the protection of natural habitats. However, an Environmental and Social Impact Assessment will be conducted to inform and strengthen the minimisation of impacts on natural habitats from the		

Environmental and social principles	No further assessment required for compliance	Potential risks – requires further mitigation or monitoring for compliance	Risk Assessment	Mitigation Measures (if needed)	Risk Monitoring Plan (if needed)
			implementation of activities and interventions.		
Conservation of Biological Diversity	**X**		Some project activities such as EbA interventions are more likely to have a positive effect on the conservation of biological diversity. However, additional assessments will be conducted on all USPs to inform and strengthen the minimisation of impacts on biological diversity from project activities and interventions.		
Climate Change		**X**	The proposed project activities should not generate nor emit any significant greenhouse gases nor exacerbate climate change. On the contrary, project activities such as tree planting will help to mitigate the impacts of climate change in the selected areas However, there is a risk that if any of the investments were to be unsuccessful, they could be maladaptive – either by failing to bring benefits or by shifting climate change related risks and vulnerabilities to other areas. Therefore, this risk will be monitored.	Should any activities or interventions show risks of generating emissions, a risk assessment will be conducted to ensure the project adequately addresses the causes or impacts of climate change brought about by project implementation and ensure pathways to low carbon development.	This risk will be monitored closely
Pollution Prevention and Resource Efficiency	**X**		The proposed project will not release pollutants, and energy and material resource efficiency will be embedded in project design.		

Environmental and social principles	No further assessment required for compliance	Potential risks – requires further mitigation or monitoring for compliance	Risk Assessment	Mitigation Measures (if needed)	Risk Monitoring Plan (if needed)
Public Health	**X**		The proposed project will not have deleterious impacts on public health. On the contrary, project activities will be more likely to improve air and water quality and have the potential to improve public health measures. The project will ensure that the targeted populations will not face restrictions on their access to public healthcare. The project will also promote social distancing and safe farming and sanitary measures in line with national requirements to prevent the spread of COVID-19.		
Physical and Cultural Heritage	**X**		Initial consultations have not identified the presence of physical and cultural sites. However, further assessment will be done to verify this. All projects and interventions will be designed and implemented in a way that avoids the alteration, damage, or removal of any physical cultural resources, cultural sites, and sites with unique natural values recognized as such at the community, national or international level. Additionally, interventions will not prevent access and use of such physical and cultural sites.		
Lands and Soil Conservation	**X**		The project activities aim to avoid negative impacts on lands and soil. Project activities such as tree planting aim to have positive effects on land and soil conservation.		

D. Describe the monitoring and evaluation arrangements and provide a budgeted M&E plan.

The GRACE LoCALPlus project has been developed in line with the Adaptation Fund's Strategic Results Framework and Gender Policy, as well as the UNCDF's LoCAL Results and Resources Framework, and ICIMOD's Medium Term Action Plan (MTAP) V.

Monitoring will also cover tracking of the environmental and social risks and any project or financial risks and flagging any issues to the Project Manager, to ensure that the project is not having any unintended negative consequences, that mitigation plans are functioning well, and no unexpected new risks have arisen. Part of component two is the development of a monitoring system at the local level, and participatory planning, accountability and budgeting for climate change adaptation in local communities. The MEL officer will be responsible for contracting and hiring of external consultants to conduct the mid-term review and the final evaluation, following the Adaptation Fund's M&E Guidelines and Gender Policy closely.

The project will assign a dedicated monitoring, evaluation and learning officer, who will be responsible along with the Project Manager for all monitoring, evaluation and learning activities as defined in the MEL plan in table 13. The monitoring, evaluation and learning officer will be responsible for refining the monitoring, evaluation and learning plan upon inception of the project, for conducting the data collection to define baselines for all indicators, as well as reporting regularly against indicators in the results framework and the core indicators in the results tracker. To align with the Gender Policy, all relevant indicators and targets will be gender disaggregated to specifically assess effects of the project on women, ensure that women are able to benefit equally from the project.

Part of component two is the development of a performance measurement system at the local level, and participatory planning, accountability and budgeting for climate change adaptation in local communities. This system and data collection processes that are put into place will feed into annual project reporting. Local governments will be supported to improve mechanisms for monitoring investments and adaptation measures. This will be carried out through training workshops on the management of adaptation investments and the establishment of investment monitoring mechanisms. Under this activity, local government financial management procedures and a monitoring and reporting system will be applied and strengthened for annual adaptation plan implementation and to ensure adequacy to generate LoCAL monitoring data. The activity will support local government staff through TA concerning guideline development, contracting procedures and implementation oversight to ensure the proper realisation of impacts from investments at the ground level. Local governments will also be supported to ensure that monitoring protocols, as well as operations and maintenance mechanisms, are in place to sustain investments in the long term. M&E systems will be developed on a national level that will allow the monitoring investments and adaptation measures by the local governments. M&E systems will be aligned with the LoCAL's Assessing Climate Change Adaptation Framework (ACCAF) methodologies and tools. The TA will ensure that local governments will have the capacity to implement ACCAF tools and will support the gradual integration and institutionalisation of the ACCAF as a planning and M&E system for the adaptation benefits.

PBCRG grants are based on local climate change needs and performance measures for building resilience. The PBCRGs will be allocated to Upazilas in the three target districts of CHT according to their approved annual allocations, determined through the yearly assessment of LGAs. By incorporating performance metrics that involve the active

participation of vulnerable groups, including at least 50% women and marginalized ethnic, the decision-making process for sub-projects ensures that financial flows have a significant impact on the most vulnerable communities at the local level.

Annual performance assessments of each target local government will be undertaken annually and will report on information related to financial data, procurement, risk assessment, rating, progress against output and outcome indicators, and any relevant lessons learned. The LoCAL Steering Committee will oversee programme implementation, requesting reports and information as deemed needed to the PMU, in additional to period meetings that will ensure endorsement and validation of key decisions and documents. In line with its role as AE, ICIMOD will closely collaborate with the MPU to ensure compliance with AF reporting requirements and timelines.

A mid-term and final evaluations will be undertaken. Evaluation reports will be produced in coherence with the international evaluation benchmarks while specifically feeding the AF impact and results indicators. Reports will be shared with programme partners. These reports will be sent to the AF, once validated by ICIMOD and the LoCAL Steering Committee; where appropriate, adjustments and follow-up measures will be implemented. Evaluations will be carried out by independent experts to ensure neutrality and objectivity. The MEL officer will be responsible for contracting and hiring of external consultants to conduct the mid-term review and the final evaluation, following the Adaptation Fund's M&E Guidelines and Gender Policy closely.

The strategic Planning, Monitoring and Evaluation and Learning (SPM&EL) unit within ICIMOD will provide monitoring, evaluation and learning oversight and advice to the project on all key monitoring, evaluation and learning activities, including development of the MEL plan and framework, the mid-term review, and the final evaluation.

The reports that will be prepared specifically in the context of the M&E plan are:

(i) the M&E plan,

(ii) the project inception report,

(iii) the Annual-, and terminal project performance reports and

(iv) the technical reports.

A participatory MEL approach will be employed, whereby local governments will be consulted during inception on the MEL plan and included in data collection activities. The inclusion of local government in the MEL process will contribute to the sustainability of the project, by building capacity of local government in monitoring, evaluation and learning, with the intention that government will be able to continue these efforts following the closure of the project.

Results-based management will be a cornerstone of the monitoring process; regular reports and check-ins against output and outcome indicators and targets will allow the Project Team to assess progress and identify any issues early. If the project is not meeting expected targets for any reason, issues will be managed early and effectively. Any issues discovered during risk monitoring will be flagged to the Project Manager to ensure the project does not have any unintended negative consequences, that mitigation plans are functioning well, and that no new risks have arisen.

A participatory MEL approach will be employed, whereby local governments will be consulted during inception on the MEL plan and included in data collection activities. The inclusion of

local government in the MEL process will contribute to the sustainability of the project, by building capacity of local government in monitoring, evaluation and learning, with the intention that government will be able to continue these efforts following the closure of the project.

Table 13: Budgeted MEL Plan

Monitoring, Evaluation or Reporting Activity	Description	Frequency/Timeframe	Responsible	Budget
Inception workshop and report Establish appropriate designs with relevant baselines to evaluate the progress against fund's outcomes and associated indicators	Add in baseline data to results tracker for core indicators that are aligned with the project	Within first two months of start) Report: within first quarter	Project Manager and Chief Strategic Planning Monitoring Evaluation and Leaning	230,415
Establish relevant monitoring evaluation and learning systems	Realtime monitoring, reporting and learning	Within the first 6 months of inception	Project Manager Chief Strategic Planning Monitoring Evaluation and Leaning	460,830
Quarterly progress reports	Internal- for updates to project management team	Quarterly		
Annual Project Performance Review (PPR)	The annual Project Performance Review will report on information related to financial data, procurement, risk assessment, rating, progress against output and outcome indicators, and any relevant lessons learned.	Annually	Project Manager	
Annual technical reports	Annual technical reports will be submitted to cover all detailed aspects of project management and progress not included in the PPR, such as technical data, analyses, and assessments related to project implementation, and information on any technical problems encountered and how they were resolved. Technical reports will also provide detailed information on the project's monitoring and evaluation framework, including any updates or modifications to the framework.	Annually	Project Manager	
Mid-term evaluation	*Mandatory for projects over 3 years	October 2025	Chief, Evaluation and Learning Strategic	115,207

Monitoring, Evaluation or Reporting Activity	Description	Frequency/Timeframe	Responsible	Budget
	Should measure progress against stated targets, also covering environmental and social risks, management issues, etc.		Planning, Monitoring and Evaluation, ICIMOD	
Fill in results tracker at mid-term	Report in results tracker on core indicators against baseline data and targets	January 2026	Project Manager	
Final Evaluation	Must be completed at least three months before the end of project implementation	February 2029	Chief, Evaluation and Learning Strategic Planning, Monitoring and Evaluation, ICIMOD	115,207
Fill in results tracker at project completion	Report in results tracker on core indicators against baseline data and targets	February 2029	Project Manager	
Final audited financial statements	Submit audited financial statement to the adaptation fund at project closure	February 2029	Project Manager	

E. Include a results framework for the project/programme proposal, including milestones, targets, and indicators.

Expected Result	Indicators	Baseline Data	Targets	Risks and Assumptions	Data collection method	Frequency
Project Objective: To strengthen the climate resilience of vulnerable mountain communities (particularly women and local tribal communities), ecosystems, and economies in the CHT region of Bangladesh by establishing a performance based climate resilience top-up financing mechanism targeting concrete climate change adaptation interventions						
	AF core indicator: Number of beneficiaries (disaggregated by sex)	1.8 million (of whom 798,913 direct beneficiaries of LoCAL already in Bangladesh)	15% of the population of the targeted Upazilas benefit directly (50% of beneficiaries are women)		Survey	End of project
	AF core indicator: Assets produced, developed, improved or strengthened	0	One (1) Climate Risk and Vulnerability Assessment report for subnational adaptation 20 participating Upazilas have a LAPA in place.		CRVA report, and LAPAs	End of project
Project Component 1: Capacity building and mainstreaming Climate Change Adaptation (CCA) into local government system for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism						
Outcome 1: Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts	# of projects, policies and strategies in related CC adaptation implemented by LGs % of people reporting reduction in cc vulnerabilities (disaggregated by sex)	0	To be elaborated at inception	A: Mainstreaming climate resilience into local government planning and providing autonomy will lead to more effective adaptation interventions. A: Local governments are in a unique position to identify climate change adaptation responses that best meet local needs. A: Increased financial and management	Project reporting Survey	End of project

Expected Result	Indicators	Baseline Data	Targets	Risks and Assumptions	Data collection method	Frequency
				capacity of the local governments and increased finance will lead to the uptake of climate-resilient investments.		
Output 1.1. Data and evidence on local climate risks to inform local decision making	# of local governments that regularly collect, update and analyze climate change information for planning, budgeting and execution of adaptation investments	0	75% of targeted local governments		local information systems, project reports	Annual
Output 1.2. Capacity building of local governments and communities (on the-the-job training, workshops, accessible knowledge products)	Number of targeted local governments officials that participated in awareness and capacity-building activities (disaggregated by sex and subject area)	to be assessed at inception: community size and number of targeted local government officails	To be elaborated at inception (30% women)		training attendance sheets, workshop documentation, project reports	Annual
	Number of community members that participated in awareness and capacity-building activities (disaggregated by sex and subject area)	to be assessed at inception- how many community members are targeted to participate in these activities	To be elaborated at inception (50% women, X % tribal community representatives)		project reports	Annual
	Adaptation Fund Indicator: 3.1.1 No. of news outlets in the local press and media that have covered the topic (climate resilience, climate financing)	to be assessed at inception- how many news outlets are there in target regions	to be elaborated at inception		project reports	Annual
	Number of community mobilizers trained to conduct community mobilization	0	to be elaborated at inception		project reports	Annual

Expected Result	Indicators	Baseline Data	Targets	Risks and Assumptions	Data collection method	Frequency
	(disaggregated by sex)					
Output 1.3. Updated local government plans and Local Adaptation Plans of Actions for selected UUpazilas	# of Upazilas' annual plans and budgets updated and compliant with PBCRG system and the use of ACCAF tool for CCA, with CCA rationale and justification for CCA relevance	0 LAPAs	All target Upazilas' plans and budgets aligned with ACCAF adaptation planning standard		local government plans	Annual
	Number of policy dialogues held at local and national government levels	0	1 local per year, per community		project reports	Annual
Project Component 2: Grant facility and PBCRG mechanism for adaptation intervention						
Outcome 2: Enhanced country systems to access climate finance and deliver locally led adaptation	# sources of climate finance channeled/leveraged through LoCAL's PBCRG system (disaggregated by source)	0	2	R: Political commitment to climate resilience and locally led decision making deminishes A: Local governments are mandated to undertake small- to medium-sized adaptation investments required for building climate resilience. A: Performance-based incentives coupled with targeted technical assistance will lead to accelerated capacity development for local governments A: Increased capacity of local government and performance incentives will lead to mainstreaming	Project documents	Mid-term and end of project

Expected Result	Indicators	Baseline Data	Targets	Risks and Assumptions	Data collection method	Frequency
				adaptation into local development planning.		
	Number of policy, institutional or regulatory reforms which benefit climate-resilience in CHT (disaggregate by UUpazila, district and national levels)	0	To be elaborated at inception		PBCRG documentation and performance measurement	Mid-term and end of project
	Total value of climate grants disbursed through the PBCRG system	0	To be elaborated at inception		PBCRG performance assessments and documentation	Mid-term and end of project
Output 2.1 Annual programmes of adaptation for targeted Upazilas	Number of local government authorities that have integrated climate change challenges, risks and considerations into annual planning & budgeting processes	10	Up to 25		Performance assessments of local authorities (PBCRG requirement)	Annual
Output 2.2. Locally led climate adaptation interventions and investments are implemented	Number of climate-interventions approved under the PBCRG system (disaggregated by type – capacity building / equipment / infrastructure and ecosystem-based, sector and ecosystem)	0	100		Project reports, PBCRG documentation	Annual
	% of funded investments targeting explicitly women	0	15%		Project reports, PBCRG documentation	Annual
	% of participating local government authorities meeting the minimum conditions without need for corrective action	0	60%		Project reporting	Annual

Expected Result	Indicators	Baseline Data	Targets	Risks and Assumptions	Data collection method	Frequency
Output 2.3. PBCRG system for local level action, including M&E and reporting						
	Evidence of the contribution to the institutionalization of the PBCRG system in Bangladesh through policy, regulatory or institutional reforms	None	1 case study showing evidence of the contribution to the PBCRG institutionalization		Case study	End of project

F. Demonstrate how the project/programme aligns with the Results Framework of the Adaptation Fund

Table 8. GRACE-LoCALplus alignment with Adaptation Fund Results Framework

Project Objective(s)[71]	Project Objective Indicator(s)	Fund Outcome	Fund Outcome Indicator	Grant Amount (USD)
To strengthen the climate resilience of vulnerable mountain communities (particularly women and local tribal communities), ecosystems, and economies in the CHT region of Bangladesh by establishing a performance based climate resilience top-up financing mechanism targeting concrete climate change adaptation interventions	Number of projects, policies and strategies in related to CC adaptation implemented by local governments Number of policy, institutional or regulatory reforms which benefit climate-resilience in CHT (disaggregate by Upazila, district and national levels) % of people reporting reduction in cc vulnerabilities (disaggregated by sex)	Outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses	2.1. No. and type of targeted institutions with increased capacity to minimize exposure to climate variability risks	Overall project component (s) Cost: $9,216,525
			2.2. Number of people with reduced risk to extreme weather events	
		Outcome 3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at the local level	3.1. Percentage of targeted population aware of predicted adverse impacts of climate change, and of appropriate responses	
			3.2. Percentage of targeted population applying appropriate adaptation responses	
Component 1: Capacity building and mainstreaming Climate Change Adaptation (CCA) into local government system for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism				
Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts	Number of targeted local governments officials that participated in awareness and capacity-building activities (disaggregated by sex and subject area)	Output 3.1: Targeted population groups participating in adaptation and risk reduction awareness activities	3.1.1 No. of news outlets in the local press and media that have covered the topic	$2,973,940
	Number of community members that participated in awareness and capacity-building activities (disaggregated by sex and subject area)			
	# of local governments that regularly collect, update and analyze climate change information for planning, budgeting and execution of adaptation investments			

[71] The AF utilized OECD/DAC terminology for its results framework. Project proponents may use different terminology, but the overall principle should still apply

Component 2: Grant facility and PBCRG mechanism for adaptation intervention.				
Enhanced country systems to access climate finance and deliver locally led adaptation	Number of local government authorities that have integrated climate change challenges, risks and considerations into annual planning & budgeting processes Number of climate-interventions approved under the PBCRG system (disaggregated by type – capacity building / equipment / infrastructure and ecosystem-based, sector and ecosystem)	Output 2.2: Increased readiness and capacity of national and sub-national entities to directly access and program adaptation finance	2.2.1 No. of targeted institutions benefitting from the direct access and enhanced direct access modality	$5,367,015

Table 16: Alignment with the Adaptation Fund's Core Impact Indicators

Adaptation Fund Core Indicators	Alignment with GRACE LOCAL	Indicative Target
Number of beneficiaries	Yes	20% of the population of the three districts (~368,365) with 50% women
Early warning systems	Yes, but dependent on the adaptation interventions selected under the PBCRGs	Dependent on the adaptation interventions selected under the PBCRGs
Assets produced, developed, improved or strengthened	Yes- the project will produce and strengthen knowledge assets, like strengthened climate adaptation frameworks, and vulnerability assessments	9 Climate Change Vulnerability Assessments At least 4 of participating upalizas have a LAPA in place.
Increased income or avoided decrease in income	Yes- avoid decrease in income- the project is aiming to provide financing to improve the economic resilience of communities in the CHT region	Dependent on the adaptation interventions selected under the PBCRGs

Demonstrate how the project/programme aligns with the Results Framework of the ICIMOD's MTAP V

MTAP V Action Area	MTAP V Intervention	Relevant MTAP V Outcome	Relevant MTAP V Outputs	Aligned GRACE Local Outcomes/Outputs
Action area A: Managing cryosphere and water risks	Promoting innovative and inclusive approaches to DRR in policies, plans, and investments	Relevant RMC institutions, private sector and other partners integrate multi-hazard risk assessment into their DRR policies, approaches and guidelines in the context of climate change and biodiversity loss	At least 4 RMCs, national DRR authorities use multi-hazard risk assessment in their DRR policies, planning and management	Outcome 1: Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts Output 1.1. Data and evidence on local climate risks to inform local decision making
Action area C: adapting and transforming livelihoods and economies	Intervention: AAC 1 Foresight and policy scenarios for adaptation in mountain economies	Decision makers respond to evidence and adopt approaches that enable just transitions to green, resilient, gender responsive, and circular mountain economies under different climate change scenarios	Evidence for anticipatory adaptation developed through foresight assessment and scenario planning for climate and non-climatic changes in the HKH region.	Outcome 1: Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts Output 1.2. Capacity building of local governments and communities (on the-the-job training, workshops, accessible knowledge products)
	Intervention AAC2: Enabling environment for green, resilient, GESI responsive, and circular mountain economies	Wider adoption of GESI responsive and innovative, green and climate resilient solutions at scale for HKH mountain products and services	Evidence and knowledge generated on GESI responsive solutions on sustainable livelihoods and its enabling environment	Outcome 2: Enhanced country systems to access climate finance and deliver locally led adaptation Output 2.2: Locally led climate adaptation interventions and investments
		Robust and highly responsive institutional and policy environment for gender responsive, green, and circular mountain entrepreneurship	Enabling environment for green and GESI responsive enterprises assessed, and business solutions codeveloped, incubated and shared for improving capacities and leveraging investments	Outcome 2: Enhanced country systems to access climate finance and deliver locally led adaptation Output 2.3: PBCRG system for local level action, including M&E and reporting Output 2.2: Locally led climate adaptation interventions and investments

MTAP V Action Area	MTAP V Intervention	Relevant MTAP V Outcome	Relevant MTAP V Outputs	Aligned GRACE Local Outcomes/Outputs
Action area D: Restoring and Regenerating Landscapes	Regenerate and manage springsheds and wetlands for multiple social and ecosystem benefits	Springshed management policies adopted at national and sub-national levelst Srengthened capability of RMC institutions across HKH for sustainable and inclusive management of springsheds	At least 3 RMCs include springshed management in their national policies (water, environment and NRM) and 4 RMCs include springshed management in their sub-national level policies (water, environment and NRM) and strategies At least one mandated institute per country (3 RMCs) includes integrated springshed management in their plans and strategies, with adequate resources and linkages with other organisations 3 RMCs put modified spring revival protocols into practice	Outcome 1: Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts
Action Area F: strengthening global leadership	Intervention AAF2: Leveraging investment flows for scaling solutions	Collaborations and partnerships that enable investment in HKH specific climate and environmental priorities, supporting RMCs to meet targets (e.g. within NBSAPs, NDCs) for green, resilient and GESI responsive mountain development	Investor Alliance established as having potential for investment at scale for Mountain of Opportunity Investment Framework (MOIF)	Outcome 2: Enhanced country systems to access climate finance and deliver locally led adaptation Output 1.3. Updated local government plans and Local Adaptation Plans of Actions for selected Upazilas

G. Include a detailed budget with notes, broken down by country as applicable, a budget on the Implementing Entity management fee use, and an explanation and a breakdown of the execution costs.

Component	Output	Outcome	Budget amount ($)
Component 1. Capacity building and mainstreaming Climate Change Adaptation (CCA) into local government system for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism	1.1. Data and evidence generated and shared on local climate risks to inform local decision making.	Enhanced local resilience and informed decision-making through shared climate risk data in CHT.	479,000
	1.2. Capacity building of local governments and communities delivered (on the-the-job training, workshops, accessible knowledge products).	Strengthened capacity of Local governments and their respective communities to sustain project activities and outcomes after phase-out.	1,290,317
	1.3. Local government plans and Local Adaptation Actions Plans developed and updated for selected Upazilas.	Strengthened local resilience via updated climate adaptation plans in selected Upazilas	1,204,624
Component 2: Grant facility and PBCRG mechanism for adaptation intervention	2.1 Annual programmes of adaptation for targeted Upazilas.	Local government climate adaptation planning framework and budget systems are strengthened	752,000
	2.2. Locally led climate adaptation interventions and investments.	Compliance, performance, and allocation of funds are effectively linked, with a robust eligibility criterion for projects	4,048,600
	2.3. PBCRG system for local level action, including M&E and reporting.	Local government investments contribute to climate-resilient development and economic growth	566,415
3. Project/Programme Execution cost (9.5% of the total Project/Programme Cost)			**875,570**
4. Total Project/Programme Cost			**9,216,525**
5. Project Cycle Management Fee charged by IE (8.5% of the total Project/Programme Cost			**783,405**
Amount of Financing Requested			**9,999,930**

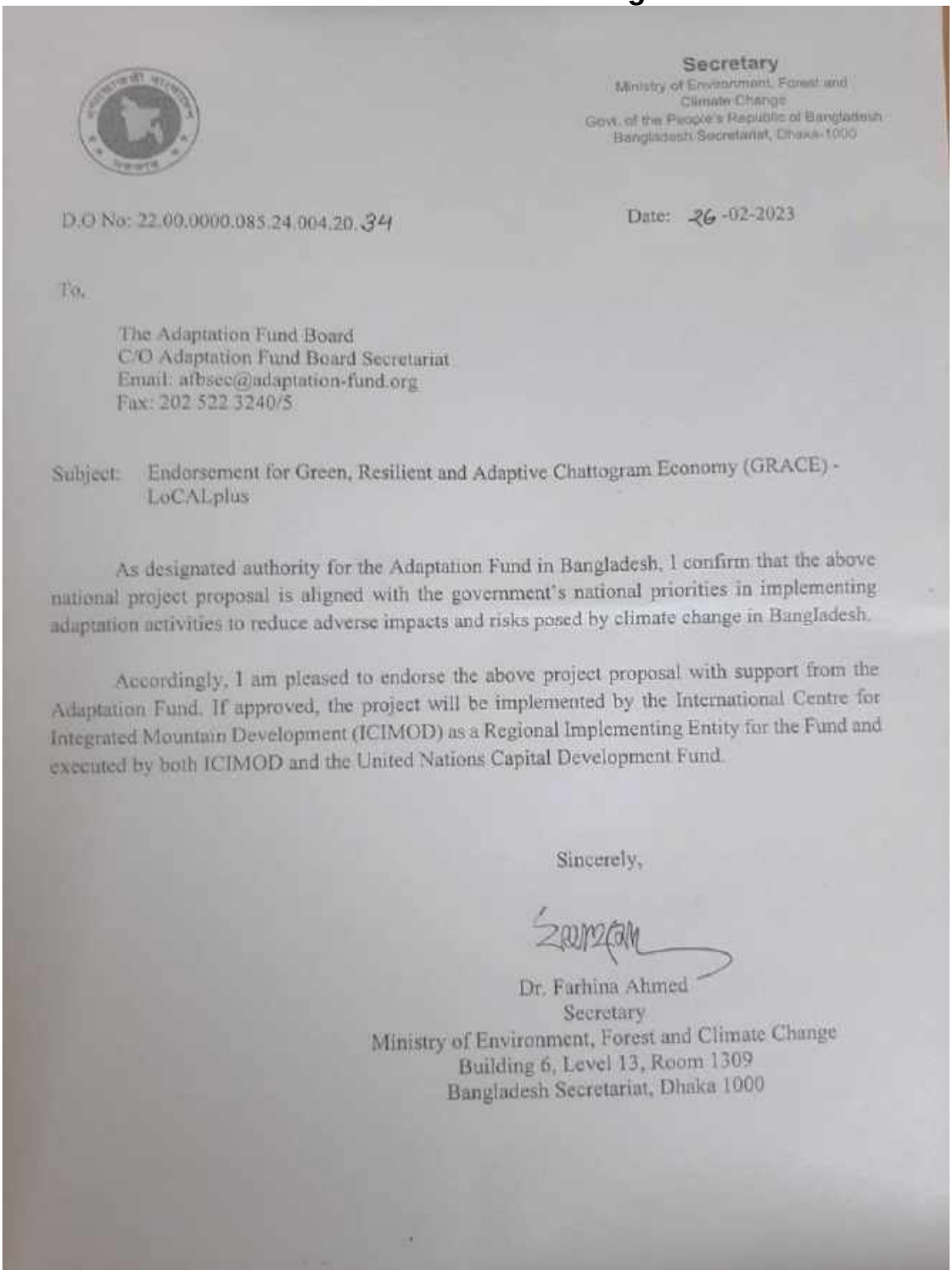
H. Include a disbursement schedule with time-bound milestones.

Project period: 1 June 2024 to 31 October 2027

Particulars	Upon signature of Agreement	One Year after Project Start a)	Year 2b)	Year 3	Year 4 c)	Total
Scheduled date	1-Jun-24	1-Apr-25	1-Apr-26	30-Nov-26	1-Apr-27	NA
Project Funds	1,382,480	2,304,131	2,304,131	2,304,131	921,653	9,216,526
Implementing Entity Fees	117,511	195,851	195,851	195,851	78,340	783,404
Total	**1,499,991**	**2,499,982**	**2,499,982**	**2,499,982**	**999,993**	**9,999,930**
	15%	25%	25%	25%	10%	100%

PART IV: ENDORSEMENT BY GOVERNMENT AND CERTIFICATION BY THE IMPLEMENTING ENTITY

A. Record of endorsement on behalf of the government



Secretary
Ministry of Environment, Forest and Climate Change
Govt. of the People's Republic of Bangladesh
Bangladesh Secretariat, Dhaka-1000

D.O No: 22.00.0000.085.24.004.20.34

Date: 26-02-2023

To,

The Adaptation Fund Board
C/O Adaptation Fund Board Secretariat
Email: afbsec@adaptation-fund.org
Fax: 202 522 3240/5

Subject: Endorsement for Green, Resilient and Adaptive Chattogram Economy (GRACE) - LoCALplus

As designated authority for the Adaptation Fund in Bangladesh, I confirm that the above national project proposal is aligned with the government's national priorities in implementing adaptation activities to reduce adverse impacts and risks posed by climate change in Bangladesh.

Accordingly, I am pleased to endorse the above project proposal with support from the Adaptation Fund. If approved, the project will be implemented by the International Centre for Integrated Mountain Development (ICIMOD) as a Regional Implementing Entity for the Fund and executed by both ICIMOD and the United Nations Capital Development Fund.

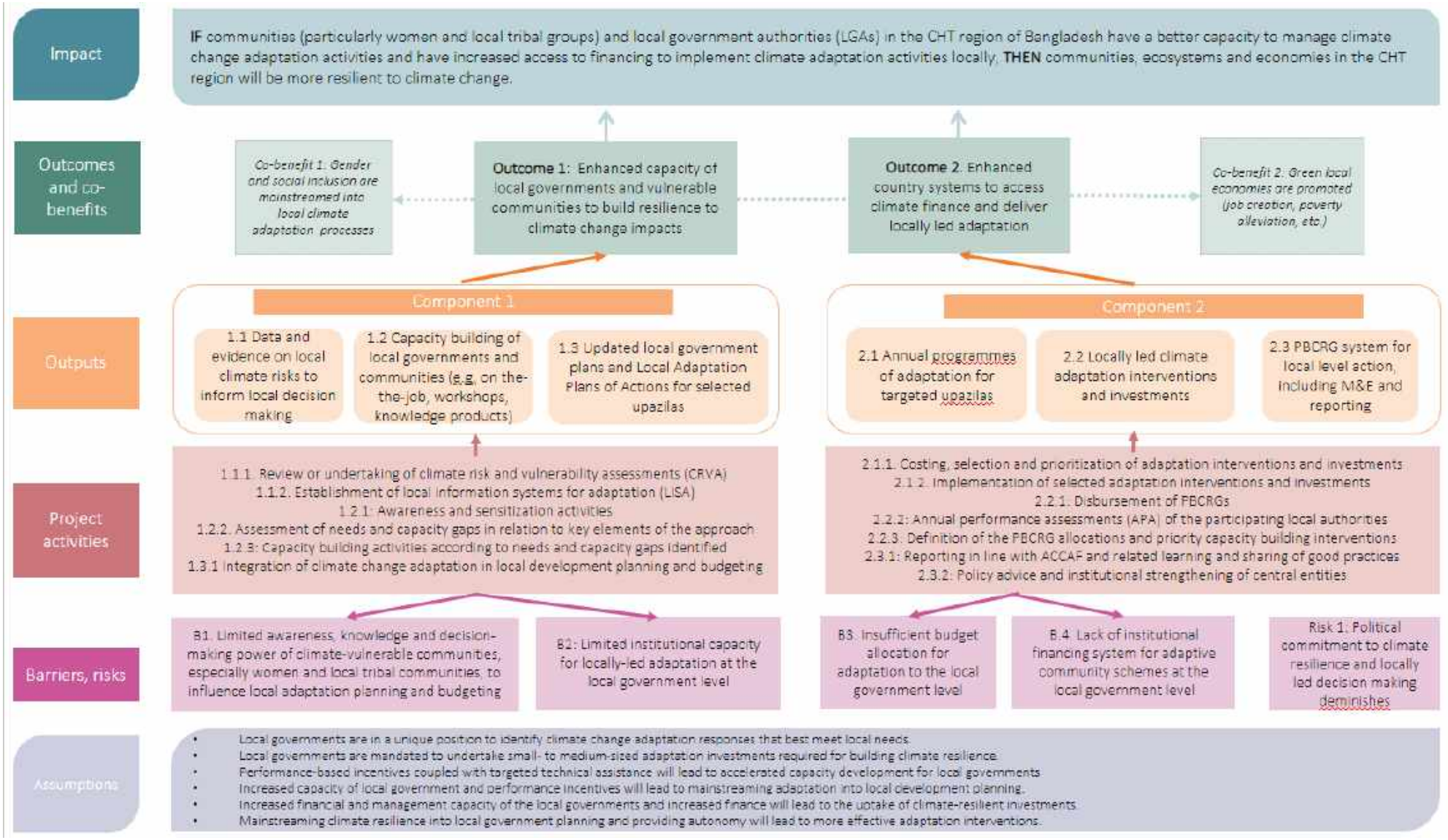
Sincerely,

Dr. Farhina Ahmed
Secretary
Ministry of Environment, Forest and Climate Change
Building 6, Level 13, Room 1309
Bangladesh Secretariat, Dhaka 1000

B. Implementing Entity certification

I certify that this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board, and prevailing National Development and Adaptation Plans, which includes Bangladesh's National Adaptation Plan 2023-2050, the Bangladesh Climate Change Strategy and Action Plan, Mujib Climate Prosperity Plan, Bangladesh Delta Plan 2100 and the Bangladesh's Perspective Plan 2021-2041 but not limited to: and subject to the approval by the Adaptation Fund Board, commit to implementing the project/programme in compliance with the Environmental and Social Policy and the Gender Policy of the Adaptation Fund and on the understanding that the Implementing Entity will be fully (legally and financially) responsible for the implementation of this project/programme.
Name and Signature  Izabella Koziell, Deputy Director General, In-charge, Business Development and Resource Mobilisation International Centre for Integrated Mountain Development
Date: 15 January 2024 — Tel: +977-1-5275222 - Email: Izabella.Koziell@icimod.org
Project Contact Person: Kabir Uddin, GIS and Remote Sensing Specialist
Tel: +977-1-5275222 - Email: Kabir.uddin@icimod.org

Annex 1: Project's Theory of Change



Green, Resilient, and Adaptive Chattogram Economy (GRACE) -LoCALplus

Gender Assessment and Gender Action Plan

Abbreviations

ADB: Asian Development Bank

CCA: Climate Change Adaptation

CHT: Chattogram Hill Tracts

CSOs: Civil Society Organisations

FAP: Food and Agriculture Organizati

FCDO: Foreign, Commonwealth and Development Office

GAP: Gender Action Plan

GAAP: Gender Assessment and Action Plan

GoB: Government of the People's Republic of Bangladesh

GP: Gender Policy

HDI: Human Development Index

ICIMOD: International Centre for Integrated Mountain Development

LoCAL: Local Climate Adaptive Living

MCPP: Mujib Climate Prosperity Plan

MIS: Management Information System

MoCHTA: Ministry of Chattogram Hill Tracts Affairs

MoEFCC: Ministry of Environment, Forests and Climate Change

NAP: National Adaptation Plan

NAPA: National Adaptation Programme of Action

NGOs: Non-Governmental Organisations

PBCRG: Performance-Based Climate Resilience Grants

UNCDF: United Nations Capital Development Fund

UNDP: United Nations Development Programme

UNICEF: United Nations International Children's Emergency Fund

UNPs: Union Parishads

UPs: Upazila Parishads

ZPs: Zila Parishads

Figures, Maps, and Tables

Maps

Map 1 - Project area 95

Tables

Table-1 Trends of LFPR by Area (%) 97

Table-2 Distribution of rural workers by sector of employment (percent) 98

Table 3 Household poverty by community (DCI Method) 99

Table-4 National Laws and Policies on Gender Equality 101

Table-5 Gender in National Environment and Climate Change-Related Laws and Policies 102

Table -6 – Demographic Overview 106

Table 7 –Overview of UNDP Composite Indices 107

Table 8 – Literacy Rate in Different Upazilas of CHT 110

Table 9: Administrative Units of the CHT 113

Table -10 Percentage distribution of persons with at least one type of disability by sex 116

Table -11 Disability Profile of Different Age Group 116

Table -12: Household, Population, Household Size and Literacy Rate by Upazila, 2022 117

Table 13 Distribution of rural workers by sector of employment (percent) 118

Table -12 - Gender Action Plan 122

Glossary

To ensure a baseline understanding of climate issues, and the development of the analysis based on impact and exposure on women, men, girls and boys, the following definitions, are provided as reference for this report:

Term	Definition
Gender	Is the set of culturally specific characteristics that define the social behaviours of women and men (including female and male children) and the relationships between them. Social perceptions of gender vary across cultures, social classes, time and degree of urbanization and serve to include or exclude particular people from particular activities.
Gender Equality	Means that women and men have equal value, equal rights and equal opportunities to participate in programs and services. To ensure equity, specific interventions called affirmative actions are often needed to compensate for historical, social and economic disadvantages that prevent women and men from otherwise operating on an equal footing. Affirmative actions are designed to "level the playing field" and correct existing inequities. An equal number of women and men participants by itself, is not always an accurate measure of gender equity: factors related to power balance also need to be considered.
Gender Balance	Requires that men and women be equally represented - either in equal numbers or in proportion to their presence - in particular settings.
Gender Neutral	Are project designs and activities that ignore gender factors including roles and relations and can lead to reinforcement of gender-based discrimination and existing inequities.
Gender Responsive	Are programs and interventions that create opportunities for individuals to actively challenge gender norms, promote positions of social and political influence for women in communities, and address power inequities between persons of different genders.
Gender Considerations	Refers to the cultural, social, economic and political conditions on which certain norms, values and behavioral patterns related to men and women are based, and how these could be utilized to strengthen the capacity of men and women in the performance of their roles and responsibilities. The "gender differential impact of climate change" refers to the different impact of climate change on men and women because of their socially ascribed roles and responsibilities.
Gender Mainstreaming	Is a strategy for considering and addressing the different roles, needs, perspectives, responsibilities and experiences of women, men, children, people with disabilities, ethnic minorities and other socially excluded people in all aspects of program and policy assessment, design, implementation and evaluation.
Gender Socioeconon Analysis	Is the process of collecting information about gender, age and other social differences and analyzing the impacts of changing circumstances (i.e., climate change) on specific groups of people. This type of analysis provides the basis for identifying key gender considerations and designing a "socially inclusive approach" that responds to the unique circumstances and needs of all project beneficiaries.

1. Introduction

1.1 Objective: of the Report

Map 1 - Project area

This Gender Assessment and Action Plan (GAAP) has been developed to support the design of the proposed Adaptation Fund (AF) project: *Green, Resilient, and Adaptive Chattogram Economy (GRACE) -LoCALplus*, in Bangladesh. The International Centre for Integrated Mountain Development (ICIMOD) is the Accredited Entity (AE), which is a Regional Implementing Entity (RIE) and will manage the project. The project will have several executing entities, including the Ministry of Environment, Forests and Climate Change of Bangladesh (MoEFCC), Ministry of Local Government, Rural Development and Cooperatives of Bangladesh, Ministry of Chattogram Hill Tracts Affairs (MoCHTA), Chattogram Hill Tracts Development Board, United Nations Capital Development Fund (UNCDF). Bangladesh's three hill district councils, including Bandarban, Khagrachari, and Rangamati district, will also be the executing agencies for this Multisector project.

The proposed project has been designed to be gender-transformative[72]and is based on the understanding that local governments and the communities in Chattogram Hill Tracts (CHT) are best placed to understand the diversity and complexity of local social, economic, and ecological systems. With the necessary support, they can identify mountain-specific

[72] There is increasing evidence that adopting social science methods, and situating resilience and adaptation practice within a broader science-policy interface and right-based perspectives, can gear projects towards environmental and socioeconomic co-benefits. Particularly, this could better prepare communities to avoid resource strife and respond to the complexity of social arrangements, reducing far-reaching impacts of climate risks.
See Butterfield, R. (2018) 'Bringing rights into resilience: revealing complexities of climate risks and social conflict' in Disasters. Journal Article.

solutions and concrete climate change adaptation actions that best meet local needs and address climate vulnerabilities specific to mountain-vulnerable groups. While local governments typically have the mandate to undertake the small- to medium-sized adaptation investments required for building climate resilience, they do not necessarily have the technical and financial resources to do so – particularly in a manner that would achieve lasting changes aligned with established local decision-making processes and planning, budgeting, and budget execution cycles.

The primary objective of this study is to assess the gendered factors and vulnerabilities that need to be considered while considering the relevance and effectiveness of the project's design. This study has to be considered in tandem with the project's pre-feasibility study since the project is gender-transformative and women-centered in design. The present study has been carried out from November to December 2023. It is also informed by the stakeholder consultation held in Bangladesh, at project area levels, in November 2023. The consultation findings are captured in Section H: Stakeholder Consultations, and the questionnaires used are annexed to this document. This Section (K) should be reviewed in tandem with Sections B that contains information on safeguarding, and Section H: Stakeholder consultations. *This project will have the following two Outcomes:*

- **Outcome 1: Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts**

- **Outcome 2: Enhanced country systems to access climate finance and deliver locally-led adaptation**

The overarching objective of the GRACE-LoCALplus project is to strengthen the climate resilience of vulnerable mountain communities (particularly women and local tribal communities), ecosystems, and economies in the CHT. The proposed project is based on the assumption that if communities (particularly women and local tribal groups) and local government systems in the CHT region of Bangladesh have a better capacity to manage climate change adaptation activities and have increased access to financing to implement climate adaptation activities locally, then communities, ecosystems and economies in the CHT region will be more resilient to climate change.

By building the capacity of local governments and including communities to build resilience to climate change impacts (Outcome 1) and by enhancing country systems to access climate finance and delivering on locally-led adaptation (Outcome 2), the project ensures that there will be the institutional capacity to continue climate adaptation work after the funding from the project ends, all while contributing to Bangladesh's climate resilience plans, policies, and strategies.

1.2 Context: Bangladesh and the GRACE -LoCALplus

Bangladesh is a South Asian country located on the Bay of Bengal, sharing borders with India to the west, north, and east, and Myanmar (Burma) to the southeast. Positioned between latitudes 20°34' and 26°38' N and longitudes 88°01' and 92°41' E[73]. Bangladesh is characterized by its predominantly low-lying riverine topography formed by the extensive

[73] Rahman, M.R. and Lateh, H., 2017. Climate change in Bangladesh: a spatio-temporal analysis and simulation of recent temperature and rainfall data using GIS and time series analysis model. *Theoretical and applied climatology*, *128*, pp.27-41.

delta of the Ganges, Brahmaputra, and Meghna rivers[74]. As the country is situated in the delta of three large rivers, flooding is a regular natural disaster in this low-lying delta. With a significant portion of its landmass barely above sea level, Bangladesh is facing the consequence of sea-level rise and salination. Bangladesh also frequently experiences tropical cyclones originating in the Bay of Bengal. Despite these challenges, the country has experienced remarkable economic growth in the last few decades, and women played a crucial role in this transformation.

Bangladesh is renowned for its successful microfinance program, and microfinance has empowered countless women in rural areas to start small businesses. The government has taken proactive measures to increase female literacy rates, ensuring girls have equal access to quality education. In rural areas, women actively participate in agriculture, a crucial sector of Bangladesh's economy. The country has experienced substantial growth in the textile sector, and a large portion of this industry's workforce comprises young women.

The provided figures illustrate the changes in labor force participation rates by gender.[75] There has been a slight decrease in the participation rate of men, dropping from 82.5 percent in 2010 to 80 percent in 2022.[76] In contrast, women's labor force participation has gradually increased from 36 percent in 2010 to 42.77 percent in 2022.[77] On a national level, there has been an overall increase in the labor force participation rate, reaching 61.2 percent in 2022.[78]

Figure 2 Trends of LFPR by sex (million)[79]

From a regional perspective, the labor force participation rate in rural areas increased from 60% in 2010 to 65.5 in 2022. The labor force participation rate is much higher in rural areas than urban regions.[80]

Table-1 Trends of LFPR by Area (%)[81]

	2010	2013	2015-16	2016-17	2022
Urban	57.3	56.7	56	55.7	51.17
Rural	60	57.3	59.6	59.3	65.5
Total	59.3	57.1	58.5	58.2	61.2

[74] Islam, S.N., 2016. Deltaic floodplains development and wetland ecosystems management in the Ganges–Brahmaputra–Meghna Rivers Delta in Bangladesh. *Sustainable Water Resources Management*, *2*, pp.237-256.
[75] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.
[76] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.
[77] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.
[78] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.
[79] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.

[80] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.
[81] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.

Despite the increase in women's empowerment, challenges persist. Socio-cultural norms, gender stereotypes, and economic disparities continue to pose obstacles to the full realization of women's potential. In rural areas, women's participation has increased in the agriculture sector and rapidly decreased in the industrial sector. In the agriculture sector, women often receive minimum wage. These women working in agriculture have limited access to education and skill development opportunities. This can result in a lack of specialized skills that could enhance their productivity in agriculture, potentially justifying higher wages.

Table-2 Distribution of rural workers by sector of employment (percent)

Sector of Employment	Male workers		Female workers	
	2013	**2022**	**2013**	**2022**
Agriculture	52.81	39.3	65.21	85.1
Industry	29.48	19.2	24.12	4.7
Service	17.7	41.5	10.66	10.2
Total	**100.00**	**100.00**	**100.00**	**100.00**

While it is likely that most of the women across Bangladesh encounter these challenges, those residing in the Chattogram Hill Tracts are particularly more vulnerable. This vulnerability is partly associated with this region's unique climatic conditions, poverty level, and disputed land tenure system. **First,** the Chattogram Hill Tracts in Bangladesh face multidimensional vulnerabilities stemming from climate impacts. Characterized by rugged terrain and diverse ecosystems, this region is particularly susceptible to the effects of climate change. Increased temperatures and altered precipitation patterns contribute to shifts in agricultural practices, affecting the livelihoods of the indigenous communities dependent on subsistence farming[82].

Moreover, the area is prone to extreme weather events such as floods and landslides, exacerbating vulnerabilities. The degradation of natural resources further compounds challenges, leading to issues like deforestation and soil erosion. As a result, the Chattogram Hill Tracts confront a complex web of climate-induced adversities, demanding comprehensive strategies for adaptation, sustainable resource management, and resilience-building within these marginalised communities.

Second, over 62% of rural households in the Chattogram Hill Tracts live below the absolute poverty line, which is 1.6 times higher than the rate in rural Bangladesh overall[83]. The situation is particularly dire for women, with the majority living under the poverty line according to the National Social Security Strategy (NSSS) of Bangladesh (Planning Commission 2015). Poverty levels vary significantly among different ethnic groups in the area. In ethnic communities such as the Lushai, Bawm, Chak, Khyang, and Pangkhua, between 80 and 93% of households are classified as absolute poor.[84]

[82] Manusher Jonno Foundation (MJF) (2020). *Climate Change Trends, Situation and Impacts in Chittagong Hill Tracts of Bangladesh*. [online] Available at: http://www.manusherjonno.org/wp-content/uploads/2021/01/Climate-Change-Report-2020.pdf.

[83] Rasul, G. and Tripura, N.B.K., 2016. *Achieving the Sustainable Development Goals in Chittagong Hill Tracts: Challenges and Opportunities*. Ministry of Hill Tracts Affairs, Government of the People's Republic of Bangladesh.

[84] Rasul, G. and Tripura, N.B.K., 2016. *Achieving the Sustainable Development Goals in Chittagong Hill Tracts: Challenges and Opportunities*. Ministry of Hill Tracts Affairs, Government of the People's Republic of Bangladesh.

Table 3 Household poverty by community (DCI Method)[85,86]

Poverty Level	Absolute poor	Non-poor
Indigenous people (Overall)	65.1	34.9
Bawn	90.7	9.3
Chak	83.7	16.3
Chakma	60.1	39.9
Khyang	80.9	19.1
Lushai	93.3	6.7
Marma	61.2	38.8
Mro	66.7	33.3
Pangkhua	80	20
Tanchangya	63.3	36.7
Tripura	71.9	28 .1
Bangali Population (non-indigenous)	58.7	41.3
All CHT Rural (Overall)	62.2	37.8
National Rural	39.5	60.5

This high poverty level is mainly due to the limited diversification in the local economy and a heavy reliance on agriculture. While agriculture is the primary livelihood for most rural residents in the CHT, the land is often unsuitable for intensive farming, leading many families to rely on wage labor for income. However, opportunities for wage labor are scarce, demand is low, and unemployment rates are alarmingly high. This combination of unemployment, economic struggles, and limited options has led to social conflicts and heightened ethnic tensions in the region.[87]

Third, in the Chattogram Hill Tracts, a complicated land tenure dispute involving the indigenous community and Bengali people has grown over the past century. In the CHT region, the Indigenous peoples constituted 97.5% of the total population in 1947, but this ratio decreased to around 51% in 2014. There are approximately two million indigenous people in Bangladesh, and the largest concentration of indigenous people lives in the CHT area. Eleven major Indigenous ethnic groups reside in this region, including Chakma, Marma, TTripura, Tanchangya, Mro, Lushai, Khumi, Chak, Khiyang, Bawm, and Pangkhua who collectively identify themselves as the Jumma people (High Landers). They have been living in the CHT for centuries[88].
Despite their long history in the region, the number of non-Indigenous people increased unexpectedly through a government-supported population transfer ('rehabilitation') program. The military and civil administration organized significant waves of transmigration of Bengali

[85] Rasul, G. and Tripura, N.B.K., 2016. *Achieving the Sustainable Development Goals in Chittagong Hill* Tracts*: Challenges and Opportunities*. Ministry of Hill Tracts Affairs, Government of the People's Republic of Bangladesh.

[86] Barkat, A., Halim, S., Poddar, A., Badiuzzaman, M., Osman, A., Khan, MS., Rahman, M., Majid, M., Mahiyuddin, G., Chakma, S. and Bashir, S. (2009) Socio-economic baseline survey of Chittagong Hill Tracts. Dhaka: Human Development Research Centre (HDRC)/Chittagong Hill Tracts Development Facility (CHTDF)/UNDP

[87] Rasul, G. and Tripura, N.B.K., 2016. *Achieving the Sustainable Development Goals in Chittagong Hill Tracts: Challenges and Opportunities*. Ministry of Hill Tracts Affairs, Government of the People's Republic of Bangladesh.

[88] Dhamai, B.M., 2014. An overview of indigenous peoples in Bangladesh. *Survival under threat: Human rights situation of indigenous peoples in Bangladesh*, pp.10-26.

settlers during 1979–85[89]. Even before the independence of Bangladesh from Pakistan, the government actively promoted the transmigration of outsiders into the CHT. This transmigration has created tension and land disputes in the region, resulting in large-scale protests and violence. The land dispute conflict in the Chattogram Hill Tracts has especially severely impacted the indigenous women and made it even more difficult for them to address the ongoing challenges posed by diverse climatic factors and socio-cultural norms.

1.3 Methodology Note

The methodology employed in this study combined literature reviews and direct consultations with stakeholders. To collect secondary information and literature, the gender expert conducted an in-depth desktop review in tandem with the primary and formative remote research. The literature review focused on gender mainstreaming, agriculture and gender, and resilience as a broader topic, drawing from key players in the sector, such as the Food and Agriculture Organization (FAO), World Bank, Foreign, Commonwealth and Development Office (FCDO), United Nations Development Programme (UNDP), United Nations International Children's Emergency Fund (UNICEF), and Asian Development Bank (ADB).

One field consultation was conducted with stakeholders in the CHT region to ensure a holistic and reliable view. The consultation was designed to be gender-responsive and included representatives from the Ministry of Chattogram Hill Tracts Affairs and Chattogram Hill Tracts Development Board. In addition, community members from different indigenous communities participated in this consultation along with representatives from Civil Society Organisations (CSOs), Non-Governmental Organisations (NGOs), and representatives of groups in varied situations of vulnerability, such as women and young people. The consultation session encouraged community members to share their previous challenges related to climate change and their existing adaptation practices. Subsequently, the moderators conducted brainstorming with the community members to prioritize vulnerabilities, identify common themes of vulnerabilities, and brainstorm adaptation strategies by incorporating traditional knowledge. The literature review and field consultation provided a robust and contextualized understanding of the region. It also ensured that the planned project is aligned with the needs of beneficiaries and the policy priorities of the Bangladeshi government.

[89] Dhamai, B.M., 2014. An overview of indigenous peoples in Bangladesh. *Survival under threat: Human rights situation of indigenous peoples in Bangladesh*, pp.10-26.

2. Analysis of the policy landscape, treaties, and laws in Bangladesh

2.1 National-level policy framework and international/regional commitments in Bangladesh

The Government of Bangladesh has shown a strong commitment to addressing gender issues, recognizing the importance of gender equality as a fundamental pillar of sustainable development. Over the years, different policy initiatives have been made for empowering women and ensuring their equal participation in all facets of society. Bangladesh has implemented various legislative measures to protect women's rights, including laws against domestic violence and harassment in the workplace[90].

Moreover, the government has actively enhanced women's access to education and healthcare, contributing to a more inclusive and equitable society. Initiatives promoting economic empowerment, such as microfinance programs, have been championed to uplift women economically. Notably, the commitment to gender-responsive climate action and disaster resilience is evident. The government acknowledges women's unique vulnerabilities in such situations through several policy documents. Bangladesh's dedication to achieving Sustainable Development Goal 5 on gender equality underscores its commitment to fostering a society where the rights and opportunities of all genders are upheld and promoted[91].

Bangladesh's domestic laws and policies strongly support gender equality. This commitment is evident in the Constitution, with Article 19 (3) assigning the state the duty to ensure women's equal participation in all national life. Articles 27 and 28 affirm legal equality and prohibit gender discrimination, allowing the state to enact special measures for women's advancement. Article 29 further upholds this commitment by ensuring non-discrimination in public employment and permitting the reservation of positions for women.[92] Some of the key national laws and policies on gender equality are listed below.

Table-4 National Laws and Policies on Gender Equality[93]

Year	Laws and Policies
1972	Representation of the People Order
1985	Family Courts Ordinance
2000	Nari-O-Shishu Nirjaton Domon Ain, or Violence against Women and Children Restraining Act

[90] Naved, R., Rahman, T., Willan, S., Jewkes, R. and Gibbs, A., 2018. Female garment workers' experiences of violence in their homes and workplaces in Bangladesh: A qualitative study. *Social Science & Medicine*, *196*, pp.150-157.

[91] Paul, K., 2022. Sustainable Development Goals and Social Service Programs in Bangladesh: An Analysis. *Space and Culture, India*, *10*(2), pp.7-15.

[92] Asia & Pacific Office (2022) State of Gender Equality and Climate Change in Bangladesh. Available at: https://wedocs.unep.org/20.500.11822/40845 (Accessed: 14 December 2023)

[93] Asia & Pacific Office (2022) State of Gender Equality and Climate Change in Bangladesh. Available at: https://wedocs.unep.org/20.500.11822/40845 (Accessed: 14 December 2023)

2004	National Parliament (Reserved Women Seat) Election Act
2006	Bangladesh Labour Act
2009	Local Government (Pouroshova) Act, Local Government (Union Parishad) Act, and Local Government (City Corporation) Act
2010	Domestic Violence (Prevention and Protection) Act
2011	National Women Development Policy
2012	National Labour Policy
2013	Domestic Violence Prevention and Protection Rules

Women also play a pivotal role in shaping and implementing Bangladesh's national climate policy, reflecting the government's recognition of their unique perspectives and vulnerabilities in climate change. The National Women Development Policy (2011) emphasized extending all kinds of support and assistance to women to eliminate bottlenecks created due to climate change [94]. Bangladesh's Climate Change Strategy and Action Plan (2009) also incorporates a gender perspective, recognizing women as key stakeholders in climate resilience. The plan emphasizes integrating gender considerations into all policy development and implementation phases, ensuring women's unique needs and contributions are considered[95].

The government's commitment to gender-inclusive climate policies is also evident in the National Adaptation Programme of Action (NAPA), which identifies gender as a cross-cutting issue. NAPA outlines strategies for addressing the vulnerabilities of various population groups, specifically focusing on empowering women to cope with the adverse impacts of climate change. A comprehensive list of other key policy documents related to climate change and gender integration in Bangladesh is presented in the following table:

Table-5 Gender in National Environment and Climate Change-Related Laws and Policies[96]

No	Key national laws and policies
i.	**National Adaptation Programme of Action (NAPA), 2009** Proposes targeted strategies for adaptation, including 15 projects aimed at enhancing immediate and critical adaptation efforts to combat present and expected negative impacts of climate change, including extreme events.
ii.	**Bangladesh Climate Change Gender Action Plan, 2013** • Developed to guarantee the incorporation of gender equality in climate change-related policies, strategies, and actions. The major action steps taken under its objectives are as follows: **Objective 1:** Ensure women's involvement in efficient water management.[97] **Action Steps:** Make an alliance of women's associations to create a movement for keeping the water bodies (rivers, canals, lakes, and wetlands) usable.[98]

[94] Ministry of Women and Children Affairs (2011) *National Women Development Policy 2011*. Available at: https://mowca.portal.gov.bd/sites/default/files/files/mowca.portal.gov.bd/policies/64238d39_0ecd_4a56_b00c_b834cc54f88d/National-Women-Policy-2011English.pdf [Accessed December 15, 2023].

[95] MoEF (2009) *Bangladesh Climate Change Strategy and Action Plan 2009*. Ministry of Environment and Forests, Government of People's Republic of Bangladesh. Available at: http://nda.erd.gov.bd/files/1/Publications/CC%20Policy%20Documents/BCCSAP2009.pdf[Accessed December 15, 2023].

[96] Asia & Pacific Office (2022) State of Gender Equality and Climate Change in Bangladesh. Available at: https://wedocs.unep.org/20.500.11822/40845 (Accessed: 14 December 2023)

[97] Ministry of Environment of Forest (2013). Bangladesh Climate Change and Gender Action Plan. Dhaka.

[98] Ministry of Environment of Forest (2013). Bangladesh Climate Change and Gender Action Plan. Dhaka.

No	Key national laws and policies
	Objective 2: Integrate Climate Change and gender into national health policy and programs.[99] **Action Steps:**[100] • Revise the current health policy framework to incorporate connections between gender and climate change. • Implement strategies to enhance and share relevant knowledge at both national and local levels through campaigns, training programs, field visits, and research initiatives. • Enhance the expertise of healthcare professionals and management committees in community clinics, Upazila, and union-level health complexes through targeted training, effectively enabling them to serve grassroots-level females, including adolescent girls. Strengthen the capabilities of local health institutions, community health workers, and other non-governmental organization stakeholders in rural regions, particularly in coastal, haor, Char land, and hill tracts areas.
iii.	**National Biodiversity Strategy and Action Plan (2016-2021)** • Advises acknowledging and integrating women's current contributions to biodiversity preservation, ensuring equal opportunities for them. • Seeks to enhance the capabilities of rural women, empowering them to participate in biodiversity conservation at home and within their communities.
iv.	**National Plan for Disaster Management (2016-2020)** This plan includes guidelines for incorporating gender considerations in all plans and actions. However, the integration of gender in DRR is general, with a notable absence of detailed gender-specific references and strategies.
v.	**Bangladesh Delta Plan 2100** • The document makes only slight reference to gender, labeling women as "vulnerable" without recognizing their potential role as catalysts in achieving climate and disaster resilience. It also lacks distinct strategies or plans focused on promoting gender equality.
vi.	**Perspective Plan of Bangladesh, 2021-2041** • The Perspective Plan of Bangladesh treats both gender and environmental issues as crucial aspects of development, dedicating separate chapters in the document to address each.
vii.	**Mujib Climate Prosperity Plan (MCPP) – Decade 2030** • Aims to support climate financing for at-risk communities and promote women's empowerment.
viii.	**Bangladesh Climate Change Strategy and Action Plan, 2020 revision** • The government developed the Bangladesh Climate Change Strategy and Action Plan (BCCSAP) in 2009[101] and updated it in 2022 to integrate climate adaptation and mitigation with sustainable development. • The 2020 revision of BCCSAP promises a more comprehensive integration of gender-responsive actions across nearly all 11 thematic areas, with many proposed activities, including explicit gender components, thereby enhancing gender mainstreaming. It also explicitly calls for the development of practical

[99] Ministry of Environment of Forest (2013). Bangladesh Climate Change and Gender Action Plan. Dhaka.
[100] Ministry of Environment of Forest (2013). Bangladesh Climate Change and Gender Action Plan. Dhaka.
[101] Bangladesh Climate Change Strategy and Action Plan (BCCSAP): http://cuts2.com/CtuOc

No	Key national laws and policies
	measures to incorporate gender issues into climate-sensitive development projects, including government Development Project Proforma, and emphasizes the need for capacity building.

2.2 Land Tenure and Customary Land Ownership

Despite these policy initiatives, there is a stark difference between men's and women's opportunities. In CHT, a large proportion of the population is from the Indigenous community, and in Bangladesh, Indigenous women are one of the most vulnerable segments of the population for being women and Indigenous. Being an agrarian region, women in the Chattogram Hill Tract heavily rely on their land inheritance, as land is often linked with opportunities. Indigenous women's right to land is repeatedly denied by customary laws or practices in many tribal communities. The land inheritance situation varies across diverse communities in CHT[102].

In some tribal communities, for instance, in the Khumi community, the family's daughter gets no share of family property. A similar situation can be found in the Khyang community, where women do not inherit their parents' property despite not having rights over their husbands' property. This applies to the Mro and the Chak communities; in the latter, the son-in-law inherits the property without male heirs[103]. The state has indirectly patronized these practices through its non-interference stance on tribal matters[104].

In some tribal communities, the land inheritance has undergone some reforms. For instance, in the Tripura community, previously, daughters used to get no share in their father's property after his death. Gradually, this system is changing, and nowadays, Tripura women are receiving at least some rights over their family property. According to the customary social system of the Bawm community, previously, only the sons of a family inherited property. Recently, the provision for providing one-fourth of the family property to the daughter has been legitimized in the Bawm community[105].

2.3 Relevant policies of the Adaptation Fund

The Adaptation Fund and its implementing partners seek to ensure that the projects supported by the Adaptation Fund are sensitive to gender considerations. The fund aims to facilitate transformative changes in addressing gender-related aspects where feasible. The Adaptation Fund, dedicated to financing climate adaptation projects in vulnerable communities of developing countries, adheres to a Gender Policy (GP) and Gender Action Plan (GAP) established in 2016 and updated in 2021. These policies ensure that all Fund-supported projects offer equal opportunities for women and men of diverse backgrounds to enhance their resilience and ability to adapt to climate change[106].

[102] Barkat, A., Halim, S., Osman, A., Hossain, I. and Ahsan, M., 2010. *Status and Dynamics of Land Rights, Land Use and Population in Chittagong Hill Tracts of Bangladesh*. Human Development Research Centre.
[103] Barkat, A., Halim, S., Osman, A., Hossain, I. and Ahsan, M., 2010. *Status and Dynamics of Land Rights, Land Use and Population in Chittagong Hill Tracts of Bangladesh*. Human Development Research Centre.
[104] Barkat, A., Halim, S., Osman, A., Hossain, I. and Ahsan, M., 2010. *Status and Dynamics of Land Rights, Land Use and Population in Chittagong Hill Tracts of Bangladesh*. Human Development Research Centre.
[105] Barkat, A., Halim, S., Osman, A., Hossain, I. and Ahsan, M., 2010. *Status and Dynamics of Land Rights, Land Use and Population in Chittagong Hill Tracts of Bangladesh*. Human Development Research Centre.
[106] Updated gender guidance document for implementing entities on compliance with the adaptation fund gender policy. (2022). Available at: https://www.adaptation-fund.org/wp-content/uploads/2022/10/AF-gender-guidance_Sep-2022.pdf [Accessed 13 Dec. 2023].

The Fund and its partners are committed to gender equality and empowerment, actively addressing gender-related vulnerabilities and striving for gender-transformative changes. The Fund's approach includes addressing power imbalances and gender gaps that affect adaptation needs and capabilities. It seeks to ensure that funded activities are gender-responsive and, where possible, support transformative changes. This approach also considers intersectional factors that contribute to gender-based inequalities[107].

[107] Updated gender guidance document for implementing entities on compliance with the adaptation fund gender policy. (2022). Available at: https://www.adaptation-fund.org/wp-content/uploads/2022/10/AF-gender-guidance_Sep-2022.pdf [Accessed 13 Dec. 2023].

3. Macro- and Meso-level analysis: gender and socioeconomic trends in Bangladesh and The Chattogram Hill Tracts

3.1 Demographics

The CHT is situated in the southeastern corner of Bangladesh and is characterized by extensive hilly areas, many scattered springs, and mountain streamlets. This is the only vast hilly area in Bangladesh. The area of the CHT is 13,344.28 km^2, which is approximately 9% of Bangladesh's total area[108]. The CHT consists of the Bandarban, Khagrachari, and Rangamati districts in southeastern Bangladesh.[109] It is a diverse region with a population of 1.6 million, including 11 ethnic groups alongside the Bengali community. Each group preserves distinct languages, cultures, and traditions.[110]

Table -6 – Demographic Overview

	Khagrachhari	Rangamati	Bandarban
Total population	6,68,944	6,50,079	4,36,950
Total under-eighteen population	2,65,391	2,57,907	1,73,351
Total under-five population	69,948	67,976	45,690
Population density per sq. Km.	243	106	98
Infant mortality rate (per 1.000 live births)	117	61	35

CHT remains a disadvantaged region in Bangladesh.[111] National studies show that around 52% of the CHT population lives below the poverty line, and 21% are multidimensionally poor, compared to 32% and 18% in rural and urban Bangladesh. In CHT, socioeconomic hardships are concentrated among local tribal communities, making them more vulnerable to extreme weather events due to their reliance on climate-sensitive areas and natural resources for survival.

[108] Bala, S., 2022. State Actors and Implementation of the CHT Peace Agreement. In *Politics of Peace Agreement Implementation: A Case Study of the Chittagong Hill Tracts (CHT) in Bangladesh* (pp. 95-118). Singapore: Springer Nature Singapore.

[109] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[110] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[111] International Centre for Integrated Mountain Development – ICIMOD. (2015). A Strategic Framework for Sustainable Development in the CHT of Bangladesh. https://lib.icimod.org/record/31134

A socioeconomic survey[112] in the CHT showed around 62% of households in the region, irrespective of ethnicity, to be below the absolute poverty line in terms of daily calorie intake per capita (below 2,122 kcal) and 36% to be severely poor (below 1,805 kcal). The annual household income in CHT is around BDT 66,000 (approximately USD 850), which is considerably lower than the national average for rural areas of BDT 84,000 (approx. USD 1,080), as reported by the UNDP and FAO.

3.2 Composite Indices

Recently, Bangladesh has achieved a persistent improvement in several key composite indices. For instance, its HDI scores have gradually improved over the past consecutive years. With a current value of 0.661, Bangladesh ranks 129 out of 191 countries. This value places Bangladesh among medium human-development countries. Bangladesh is also one of South Asia's better performers, with its HDI value above the regional value of 0.632. However, inequality is a major challenge for Bangladesh as the country's HDI value falls to 0.503 when adjusted for inequality[113].
The following table provides scores of different UNDP composite indices: the Human Development Index (HDI), Gender Inequality Index (GII), and Gender Development Index (GDI), as well as the World Economic Forum (WEF) 's Global Gender Gap Index (GGGI).

Table 7 –Overview of UNDP Composite Indices

INDEX (SCALE, ORGANIZATION)	RANK (YEAR)
Human Development Index, out of 189 countries (UNDP)	129 (2021) [114]
Gender Inequality Index, out of 162 countries (UNDP)	131 (2021) [115]
Gender Development Index clustered with group (UNDP)	Group 4 (2019)[116]
Global Gender Gap Index out of 153 countries (WEF)	71 (2022)[117]

Gender parity is an area where Bangladesh has significant room for improvement. A closer look into the Gender Development Index – a measure of disparities in the HDI by gender – presents stark findings[118]. While women are likely to live longer than men, they trail behind regarding education and income per capita. Moreover, Bangladesh ranks 131 on the Gender Inequality Index (GII), a measure of gender inequality along the dimensions of reproductive health, empowerment, and the labor market[119].

[112] Barakat, A; Halim, S; Poddar, A; Badiuzzaman, M; Osman, A; Khan, MS; Rahman, M; Majid, M; Mahiyuddin, G; Chakma, S; Bashir, S (2009) Socioeconomic baseline survey of Chattogramg Hill Tracts. Dhaka, Bangladesh: Human Development Research Center.

[113] Conceição, P., 2022. Human Development Report. uncertain times, unsettled lives: shaping our future in a transforming world.

[114] Liller, S. (2022) *Human Development Report 2021-22: Takeaways for Bangladesh.* Available at: *https://www.undp.org/bangladesh/blog/human-development-report-2021-22-takeaways-bangladesh*

[115] Conceição, P., 2022. Human Development Report. uncertain times, unsettled lives: shaping our future in a transforming world.

[116] The 2019 female HDI value for Bangladesh is 0.596 in contrast with 0.660 for males, resulting in a GDI value of 0.904, placing it into Group 4. In comparison, GDI values for Nepal and Pakistan are 0.933 and 0.745. Ibid.

[117] In the GGGI report by the WEF, South Asia ranks the lowest among the eight regions, despite Bangladesh and Nepal leading in closing their gender gap. WEF (2022), available at: http://cuts2.com/DhnmV

[118] Liller, S. (2022) *Human Development Report 2021-22: Takeaways for Bangladesh.* Available at: *https://www.undp.org/bangladesh/blog/human-development-report-2021-22-takeaways-bangladesh*

[119] Conceição, P., 2022. Human Development Report. uncertain times, unsettled lives: shaping our future in a transforming world.

3.3 Health

Bangladesh's government, non-governmental organizations, and international agencies have implemented different initiatives to improve healthcare services in the CHT area. Indigenous communities in the CHT often reside in remote and hilly areas, making access to healthcare facilities a significant challenge. Linguistic diversity among indigenous groups constantly challenges effective communication between healthcare providers and indigenous women. Indigenous women commonly face issues like malnutrition, anemia, and malaria in the hilly areas where they reside.[120] A 2009 UNDP report highlighted that six out of 10 households in the Chattogram Hill Tracts, regardless of ethnicity, fall below the national absolute poverty line, with each member consuming less than 2,100 calories per day, while the remaining four households live in extreme poverty, with less than 1,800 calories per day. This situation significantly and negatively impacts their health.[121]

Research specifically focused on the health of Indigenous women is scarce and mainly carried out by international development organizations.[122,123] Studies conducted among Indigenous Mru women in the Bandarban Hill district revealed that cultural factors, distance, infrastructure, and socioeconomic status significantly influenced the use of MHC services.[124,125] Major obstacles for Indigenous women in accessing MHC services include the distance to healthcare facilities, language barriers, and associated costs.[126]

Due to limited investment and research in the health issues of Indigenous women, they face the poorest health outcomes in the country.[127] [128] UNICEF reports that CHT has the highest percentage of low-birth-weight newborns in Bangladesh, a factor closely linked to maternal health during pregnancy and childbirth.[129]In 2014, the Human Development Research Centre surveyed the interventions of the CHT Development Facility (CHTDF).[130] This survey found that Indigenous women's understanding of basic Maternal Health Care (MHC)

[120] State Of Indigenous Women And Girls In Bangladesh: Issues And Concerns At A Glance. (2016). Available at: https://www.iwgia.org/images/publications/0753_Briefing_Paper_State_of_indigenous_omen_and_girls_in_Bangladesh_October_2016.pdf.

[121] State Of Indigenous Women And Girls In Bangladesh: Issues And Concerns At A Glance. (2016). Available at: https://www.iwgia.org/images/publications/0753_Briefing_Paper_State_of_indigenous_omen_and_girls_in_Bangladesh_October_2016.pdf.

[122] Kamal, S.M. and Hassan, C.H., 2013. Socioeconomic correlates of contraceptive use among the ethnic tribal women of Bangladesh: does sex preference matter?. Journal of family & reproductive health, 7(2), p.73.

[123] Tuhin, M.A.A., 2015. Health discourse in Chittagong Hill tracts in Bangladesh (Master's thesis, UiT Norges arktiske universitet).

[124] Islam, R.M., 2017. Utilization of maternal health care services among indigenous women in Bangladesh: A study on the Mru tribe. Women & health, 57(1), pp.108-118.

[125] Islam, M.R. and Odland, J.O., 2011. Determinants of antenatal and postnatal care visits among Indigenous people in Bangladesh: a study of the Mru community. Rural and remote health, 11(2), pp.112-124.

[126] Akter, S., Rich, J.L., Davies, K. and Inder, K.J., 2019. Access to maternal healthcare services among Indigenous women in the Chittagong Hill Tracts, Bangladesh: A cross-sectional study. BMJ open, 9(10), p.e033224.

[127] state of indigenous women and girls in bangladesh: issues and concerns at a glance. (2016). Available at: https://www.iwgia.org/images/publications/0753_Briefing_Paper_State_of_indigenous_omen_and_girls_in_Bangladesh_October_2016.pdf.

[128] Roy, P. and Promila, M., 2014. Quest for security, equality, equity and integration: Locus of Indigenous women in Bangladesh. Prof. Chowdhury Mong Shanoo, editor. Thailand: Asia Indigenous Peoples Pact (AIPP) and Kapaeeng Foundation, pp.99-118.

[129] Roy, P. and Promila, M., 2014. Quest for security, equality, equity and integration: Locus of Indigenous women in Bangladesh. Prof. Chowdhury Mong Shanoo, editor. Thailand: Asia Indigenous Peoples Pact (AIPP) and Kapaeeng Foundation, pp.99-118.

[130] Dhaka, U.N.D.P., 2009. Socio-Economic Baseline Survey of Chittagong Hill Tracts

services was less than that of their Bengali counterparts.[131] However, evaluations from two UNDP-CHTDF program household surveys (2008 and 2013) showed an increase in MHC service utilization among both Indigenous and non-Indigenous women in the areas where interventions occurred.[132]

3.4 Gender-based violence (GBV)

In the Chattogram Hill Tracts, domestic violence emerged as the most prevalent form of gender-based violence (GBV). A survey conducted by "Gender-Based Violence and Access to Justice for Indigenous Women and Girls in the Chattogram Hill Tracts" revealed that 44% of respondents had endured various kinds of GBV within their homes. Of these, about 33% suffered physical abuse, 38% mental abuse, around 19% economic abuse, and 5% faced sexual harassment in their household.[133] In the majority of domestic violence cases, 82% identified the husband as the primary aggressor. The Mro (59%) and Tripura (57%) communities reported the highest rates of domestic GBV, followed by the Chakma (46%), Marma (40%), and Tanchangya (21%). GBV was less prevalent in Rangamati compared to the other two hill districts. Only a small portion, less than 4%, of participants here reported that their family members had experienced various forms of domestic violence.[134] This might be due to underreporting, as women are often scared to speak out.

The study also suggests that the causes of GBV at the domestic level are multifaceted and interconnected, with factors such as patriarchal dominance, economic dependence, lack of control over resources, discriminatory inheritance practices, and limited education being major contributors. Indigenous women who were impoverished, uneducated, residing in remote areas with poor connectivity, and subjected to early marriage were found to be most at risk of GBV. Additionally, families of alcohol addicts were more susceptible to such violence.[135]

On the other side, data from the Kapaeeng Foundation show that from January 2007 to September 2016, there were at least 466 reported cases of violence against indigenous women and girls in Bangladesh. In 2014 the Kapaeeng Foundation reported 50 cases of rape, attempted rape, and gang rape among indigenous women and girls. Ain O Salish Kendra (ASK) reported 615 such cases among mainstream Bengali women and girls. Notably, 7.52% of the victims/survivors in 2014 belonged to indigenous communities, which make up only 1.8% of the country's total population, whereas 92.48% of victims were from the Bengali community, which constitutes 98.2% of the population. This data suggests that indigenous women face a disproportionately higher risk of sexual and physical violence compared to Bengali women. The alarming trend of violence against indigenous women and girls is further aggravated by the impunity often enjoyed by perpetrators. A report by the

[131] Dhaka, U.N.D.P., 2009. Socio-Economic Baseline Survey of Chittagong Hill Tracts

[132] Badiuzzaman, M., Murshed, S.M. and Rieger, M., 2020. Improving maternal health care in a post conflict setting: evidence from Chittagong Hill tracts of Bangladesh. The Journal of Development Studies, 56(2), pp.384-400.

[133] Naher, A., Khan, R. and Chakma, S. (2020). Gender-Based Violence and Access to Justice for Indigenous Women and Girls in Chittagong Hill Tracts. [online] Available at: http://www.manusherjonno.org/wp-content/uploads/2019/04/Study-Report-GBV-on-CHT.pdf.

[134] Naher, A., Khan, R. and Chakma, S. (2020). Gender-Based Violence and Access to Justice for Indigenous Women and Girls in Chittagong Hill Tracts. [online] Available at: http://www.manusherjonno.org/wp-content/uploads/2019/04/Study-Report-GBV-on-CHT.pdf.

[135] Naher, A., Khan, R. and Chakma, S. (2020). Gender-Based Violence and Access to Justice for Indigenous Women and Girls in Chittagong Hill Tracts. [online] Available at: http://www.manusherjonno.org/wp-content/uploads/2019/04/Study-Report-GBV-on-CHT.pdf.

CHT Commission highlighted that out of 215 cases documented in the CHT, not a single conviction had been secured.[136]

3.5 Education

At the national level, compared to men, women have lagged in terms of education opportunities. On average, women receive 6.8 years of schooling compared to eight years for men[137]. Bangladesh's functional literacy rate (7+above years) is now 62.92%, but in many areas of CHT, the functional literacy rate of women is much below the national average. For instance, in Upazila like Ruma and Thanchi, the female functional literacy rate is just 40.35% and 39.16%. A similar situation prevails in Belaichhari, where the female functional literacy rate is 43.69%. Areas like Ruma, Belaichhari, and Thanchi are located in the remote regions of CHT[138].

Table 8 – Literacy Rate in Different Upazilas of CHT[139]

Upazila	Literacy Rate (7+ yrs.)		
	Total	Male	Female
Bandarban District	**63.74**	**68.97**	**58.22**
Alikadam	57.14	63.01	50.69
Bandarban Sadar	73.86	78.62	68.59
Lama	65.73	69.71	61.68
Naikkhongchhari	64.11	66.36	61.86
Rowangchhari	55.27	65.14	45.2
Ruma	50.26	59.30	40.35
Thanchi	50.68	60.8	39.16
Khagrachhari District	**71.8**	**77.2**	**66.41**
Dighinala	69.94	76.69	62.93
Guimara	66.41	72.09	60,69
Khagrachhari Sadar	77.36	82.39	72.17
Lakkhichhari	62.59	70.89	54.03
Mahalchhari	71.2	76.63	65.73
Manikchhari	72.44	76.41	68.7
Matiranga	71.59	76.01	67.35
Panchhari	68.01	74.79	61.28
Ramgarh	76.08	80.14	72.09
Rangamati District	**71.41**	**77.79**	**64.64**
Baghaichhari	67.72	74.92	59.88
Barkal	70.15	79.48	59.77
Kawkhali	71.18	77.51	64.79
Belaichhari	55.88	66.74	43.69

[136] State Of Indigenous Women And Girls In Bangladesh: Issues And Concerns At A Glance. (2016). Available at: https://www.iwgia.org/images/publications/0753_Briefing_Paper_State_of_indigenous_omen_and_girls_in_Bangladesh_October_2016.pdf.

[137] Conceição, P., 2022. Human Development Report. uncertain times, unsettled lives: shaping our future in a transforming world.

[138] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.

[139] Bangladesh Bureau of Statistics (BBS) (2023). *Labour Force Survey 2022 Bangladesh*.

Upazila	Literacy Rate (7+ yrs.)		
	Total	Male	Female
Kaptai	73.24	79.51	66.73
Jurachhari	61.17	72.2	48.81
Langadu	70.63	74.71	66.43
Naniarchar	69.18	75.83	62.34
Rajasthali	68.02	75.48	60.37
Rangamati Sadar	80.51	84.7	75.99

In Chattogram Hill Tracts, because of the remoteness and the hilly terrain, girls must also travel great distances by foot to reach schools. Historically, women's education in CHT has faced challenges, including cultural, social, and economic factors. Education is especially challenging for indigenous girls, as instruction is provided in Bengali, not indigenous languages. A survey of tribal women living in the CHT revealed that 22% of those surveyed had never attended school.[140]

The literacy rate in CHT, especially among ethnic minorities, is much lower than the national average, despite Bangladesh's adherence to global education declarations and its National Education Policy 2010. A study by HDRC found that 55.2% of CHT households have no formal schooling, with less than 8% completing primary education and only 2% secondary education. To promote universal primary education, the Bangladesh government has implemented several phases of the Primary Education Development Programme (PEDP), complemented by the UNDP's efforts in establishing non-government primary schools, including nationalizing 228 schools.[141] However, women in CHT continue to face socioeconomic and educational marginalization and discrimination.[142] The educational attainment of tribal women in the CHT is also hindered due to limited access to essential resources such as transportation, educational institutions, hospitals, and roads. This lack of infrastructure and facilities impedes their ability to pursue development opportunities comparable to those available in the plains of Bangladesh.[143] Some key issues in the education sector are briefly discussed below:

High Dropout Rates: Both primary and secondary levels in CHT experience high dropout rates, with about 52% at the primary level and even higher at the secondary level. Causes include poverty, early marriage, transportation, and communication challenges due to geography, lack of safety, inadequate health and hygiene facilities for girls at school, disconnect between education and career opportunities, and low parental awareness.[144]

[140] Decision-Making Ability of Tribal Women in Chittagong Hill Tracts of Bangladesh, ResearchGate. http://cuts2.com/YHhyG

[141] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[142] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[143] Moon, M. (2023). Decision-Making Ability of Tribal Women in Chittagong Hill Tracts of Bangladesh.

[144] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

High Absenteeism: Students often miss school due to long distances, limited transport, natural disasters, and socioeconomic factors. In Bilaichhari Upazila, absenteeism can reach 60-70% in the rainy season, sometimes leading to school closures for over two months.[145]

Inadequate Accommodation: The challenging geography of CHT means long travel times to school, leading parents to prefer boarding or hostel options near schools.[146] However, hostels' availability, capacity, and quality are insufficient, particularly for students preparing for major examinations like PECE, JSC, SSC, and HSC.[147]

3.6 Economic empowerment

At the national level, compared to men, women have lagged in terms of economic empowerment opportunities. For instance, the gross national income per capita for Bangladeshi women is USD 2,811, compared to USD 8,176 for men[148]. In Chattogram Hill Tracts, women's economic empowerment opportunities are even more scarce as they receive minimal education opportunities. The challenging geographical terrain of the hill tracts can affect women's mobility and access to economic opportunities. Land tenure issues and limited property rights for women also restrict their access to resources for economic empowerment.

Therefore, poverty in the CHT is more prevalent than in other parts of Bangladesh and is severely influenced by ethnicity, geographic location, market distance, and gender. Indigenous populations in CHT experience higher poverty levels than the Bengali residents. A 2008 Socioeconomic Baseline Survey[149] by UNDP revealed that the average annual income for a family in the CHT region is approximately Tk66,000 (825 USD), significantly lower than the national average of Tk84,000 (1050 USD) in Bangladesh.

In a separate study by the Asian Development Bank (ADB) covering 60 villages and 6,040 individuals likely to be included in a specific project, it was found that 53% of households (47% in valley regions and 61.2% in hill areas) were classified as very poor.[150] Additionally, 37.3% were considered poor (43.4% in valley regions and 29.4% in hill areas), and 9.5% were better off (9.6% in valley regions and 9.3% in hill areas). The study also noted two key trends:[151] (i) villages with less connectivity experienced higher poverty rates, and (ii) the proximity to markets correlated with a decrease in poverty levels and an increase in the relative middle-class population.

Among these indigenous groups, those living in valleys are generally better off than their counterparts in the hills. Additionally, poverty in CHT has a distinct gender aspect, with

[145] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[146] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[147] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[148] Liller, S. (2022) *Human Development Report 2021-22: Takeaways for Bangladesh.* Available at: *https://www.undp.org/bangladesh/blog/human-development-report-2021-22-takeaways-bangladesh*

[149] UNDP (2009). Socio-Economic Baseline Survey of Chittagong Hill Tracts. Dhaka

[150] Asian Development Bank (2011). Proposed Loan People's Republic of Bangladesh: Second Chittagong Hill Tracts Rural Development Project.

[151] Asian Development Bank (2011). Proposed Loan People's Republic of Bangladesh: Second Chittagong Hill Tracts Rural Development Project.

women, both indigenous and Bengali, being poorer (measured by calorie intake) compared to men in their communities.[152] Women in CHT are among the most marginalized and vulnerable populations in Bangladesh. They face multiple levels of minority status under current social and political structures. In a society where patriarchy and male dominance prevail, they are marginalized based on gender. Traditional gender roles confine them to a life of gender-based inequality and poverty.[153] Similar to women in other developing regions, those in the remote areas of CHT are primarily responsible for domestic duties and income-generating activities, a situation exacerbated by both poverty and gender disparities.[154]

3.7 Political participation and empowerment

In national socio-political structures, Indigenous women are often excluded from the role of administrative and political leadership. Participation of Indigenous women in the governance system of the country is extremely limited. Indigenous women and girls in Bangladesh not only trail behind men in public and professional life and decision-making, but they also lag behind their non-indigenous female counterparts. [155] For instance, of the 350 seats in the National Parliament, where 50 are reserved to boost female representation in national policymaking, none are allotted explicitly to indigenous women.[156]

Even within CHT, women have limited political participation and empowerment opportunities. While CHT's governance mechanism differs from the rest of the country, this difference has not resulted in any opportunity for indigenous women. The Chattogram Hill Tracts has always had a special position in the country's governance system. The CHT practices a traditional power system based on the customs and practices of the indigenous peoples.

Based on the CHT Regulation 1900, popularly known as the CHT Manual, the CHT administration was stratified into three circles named the Chakma, the Bohmang, and the Mong, each of which is administrated by a Raja, the responsible person for adjudicating the issues of social justice, land and natural resource management, and maintenance of law and order. Only in exceptional cases are Indigenous women seen as acting Chiefs (a Chakma Chief in the mid19th century and a Mong Chief in the 1980s)[157]. The Circle Chiefs are members of their relevant Hill District Council(s) and play a crucial role in other formal governance networks. Under this regime, subsequently, Headmen and Karbaris are appointed. The Deputy Commissioners appoint headmen based on recommendations from the Circle Chiefs, and the Circle Chiefs appoint Karbaris. The administrative units of the CHT is provided below:

Table 9 Administrative Units of the CHT

[152] Asian Development Bank (2011). BAN: Second Chittagong Hill Tracts Rural Development Project. [online] Available at: https://www.adb.org/sites/default/files/linked-documents/42248-013-ban-ippab.pdf.

[153] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[154] United Nations Development Programme (2020). 'Women and Girls Empowerment Through Education and Skills in the Chittagong Hill Tracts'. [online] Available at: https://info.undp.org/docs/pdc/Documents/BGD/Annual%20report-GAC_%20April%202020.pdf.

[155] State Of Indigenous Women And Girls In Bangladesh: Issues And Concerns At A Glance. (2016). Available at: https://www.iwgia.org/images/publications/0753_Briefing_Paper_State_of_indigenous_omen_and_girls_in_Bangladesh_October_2016.pdf.

[156] State Of Indigenous Women And Girls In Bangladesh: Issues And Concerns At A Glance. (2016). Available at: https://www.iwgia.org/images/publications/0753_Briefing_Paper_State_of_indigenous_omen_and_girls_in_Bangladesh_October_2016.pdf.

[157] Dhamai, B.M., 2014. An overview of indigenous peoples in Bangladesh. *Survival under threat: Human rights situation of indigenous peoples in Bangladesh*, pp.10-26.

	Upazila/Thana	Union	Mouza/Moholla	Village	Pourashava	Wards
Bandarban	7	30	201	1554	2	18
Khagrachari	8	38	276	1702	3	27
Rangamati	10	49	252	1555	2	18
Bangladesh	545	4543	66926	87223	316	3161

Source: Population & Housing Census 2011, Statistical Pocket book 2020.

The Headmen (mouza chief) and Krabaris (village chief) are subsequently responsible for maintaining peace and order at the village level. Generally, the Karbaris resolve conflicts within a village. If they fail to do so, the cases are usually taken to the Headmen. In both cases, the disputes are discussed openly with male village elders advising the Karbaries and Headmen. In this system, the Circle Chief is the final arbiter of justice. Indigenous women are seldom consulted in political matters concerning the community and are far less involved at the central decision-making level[158].

There are 369 Headmen of 369 mouzas in three circles and approximately 3,500 Karbaris in three hill districts of the CHT. However, out of them, only around two dozen of Headmen are female, demonstrating that women rarely get this leadership position. This picture illustrates how disproportionately Indigenous women are represented even in traditional leadership. Usually, the Headmen and Karbaris' position is transferred from father to son[159].

3.8 Access to resources

The history of conflict and displacement in the CHT has had lasting effects on the socioeconomic fabric of the region. Displacement and insecurity have disrupted economic activities and disproportionately impacted women's access to resources. In remote hill areas, skill development programs are minimal for women, hindering their capacity to acquire new skills and qualifications necessary for diverse economic roles.

In the Chattogram Hill Tracts, only about one-fifth of the women have the right to inherit property, which is almost non-existent among women in the Mro and Khyang communities. In the Mro and Khyang communities, usually, women do not receive any right to inherit property. However, even these 20% of women do not enjoy an equal share of property with their male siblings. Women's influence over significant decisions is minimal, affecting areas such as enrolling children in school, participating in non-governmental organizations, engaging in income-generating activities, or even in matters related to family planning.[160]

Despite these challenges, the women in the CHT area are industrious in their agricultural activities, including Jhum farming, tending to various animals like chickens, pigs, goats, and cows, and gathering firewood and water. They manage different household chores, transport their agricultural produce to local markets, and weave their own clothing using threads from their harvested cotton. Additionally, they craft items from bamboo and rattan. Despite their crucial role in managing natural resources, these women receive negligible assistance from agricultural extension services, financial credit, marketing, or other institutional supports. They are also notably excluded from community decision-making. With limited access to information and minimal connections to external communities, these women endure challenges stemming from the difficult socio-political environment, yet their concerns and opinions are often overlooked. Furthermore, their opportunities to own land or

[158] Dhamai, B.M., 2014. An overview of indigenous peoples in Bangladesh. *Survival under threat: Human rights situation of indigenous peoples in Bangladesh*, pp.10-26.
[159] Dhamai, B.M., 2014. An overview of indigenous peoples in Bangladesh. *Survival under threat: Human rights situation of indigenous peoples in Bangladesh*, pp.10-26.
[160] Rasul, G. and Tripura, N.B.K., 2016. *Achieving the Sustainable Development Goals in Chittagong Hill Tracts: Challenges and Opportunities*. Ministry of Hill Tracts Affairs, Government of the People's Republic of Bangladesh.

other properties are restricted, as is their access to non-agricultural hospitality, retail, and office work jobs. [161]

3.9 Youth

The CHT previously had considerable forest cover, but the recent deforestation has threatened the livelihood of the hill people of Bangladesh[162]. Previously, these forests facilitated water infiltration into the soil, promoting groundwater recharge. As these forests have been cleared, surface runoff has intensified, and groundwater recharge has decreased. This limited groundwater recharge has impacted the daily life of all the women in the region, including adolescent girls who are often responsible for collecting drinking water for their families.

Indigenous people and mostly school-going girls of the CHT have to walk long hours to collect water from sources some 1–2.5 km away, with earthen pots or plastic buckets to carry 10–15 liters. They often have to miss school or spend less time on schoolwork as they prioritize collecting water. Due to widespread deforestation leading to the depletion of water sources, adolescent girls are increasingly forced to spend longer hours fetching water from increasingly distant locations.[163] This issue has multiple adverse effects, including disrupting their childhoods and reducing their time for education.[164]

In recent days, the traditional livelihoods of rural indigenous communities have become increasingly vulnerable due to land dispossession, conflict, land grabbing, and climate change.[165] This situation has also led many young indigenous women to migrate to urban areas, where they often find employment in unstable, low-paying jobs, perpetuating their marginalization and poverty. They face identity-based discrimination and human rights violations. For example, Garo women moving to cities for work typically receive lower wages than their Bengali counterparts for similar jobs, such as domestic work or beauty Parlour. Additionally, many indigenous women are employed in garment factories near Dhaka and Chattogram, where they are often underpaid and lack union representation.[166]

3.10 People with Disabilities

In Bangladesh, 2.80% of the population lives with disabilities. Among these, the prevalence is 3.28% for males and 2.32% for females. Rural areas have a slightly higher disability rate (2.89%) compared to urban areas (2.45%)[167]. Among different divisions of Bangladesh, the incidence of disability is relatively lower in the Chattogram division.

[161] Rasul, G. and Tripura, N.B.K., 2016. *Achieving the Sustainable Development Goals in Chittagong Hill Tracts: Challenges and Opportunities*. Ministry of Hill Tracts Affairs, Government of the People's Republic of Bangladesh.

[162] Jannat, M., Hossain, M.K., Uddin, M.M., Hossain, M.A. and Kamruzzaman, M., 2018. People's dependency on forest resources and contributions of forests to the livelihoods: a case study in Chittagong Hill Tracts (CHT) of Bangladesh. *International Journal of Sustainable Development & World Ecology*, *25*(6), pp.554-561.

[163] Tancred, A. (2019). MANY TRACTS ONE COMMUNITY UNICEF'S Work in the Chittagong Hill Tracts. UNICEF Bangladesh.

[164] Tancred, A. (2019). MANY TRACTS ONE COMMUNITY UNICEF'S Work in the Chittagong Hill Tracts. UNICEF Bangladesh.

[165] Chakma, T., 2020. A rapid assessment report: the impact of COVID-19 on indigenous and tribal peoples in Bangladesh. *International Working Group on Indigenous Affairs (IWGIA)*, *10*.

[166] Chakma, T., 2020. A rapid assessment report: the impact of COVID-19 on indigenous and tribal peoples in Bangladesh. *International Working Group on Indigenous Affairs (IWGIA)*, *10*.

[167] Bangladesh Bureau of Statistics (BBS) (2021) Report on National Survey on Persons with Disabilities (NSPD) 2021

Table -10 Percentage distribution of persons with at least one type of disability by sex[168]

Background characteristics	Sex of persons with at least one type of disability		
	Male	**Female**	**Both**
Total	3.28	2.32	2.8
Area			
Rural	3.44	2.35	2.89
Urban	2.69	2.2	2.45
Division			
Barishal	2.8	2.03	2.42
Chattogram	2.84	2	2.41
Dhaka	3	2.01	2.51
Khulna	4.31	2.92	3.62
Mymensingh	2.76	2.13	2.45
Rajshahi	3.74	2.86	3.3
Rangpur	4.07	3	3.54
Sylhet	2.62	1.69	2.15
Age group (in the year)			
0-4 yr	0.91	0.74	0.83
2-4 yr	1.17	0.94	1.05

The incidence of disability varies with age; it is 0.83% among children aged 0-4 years, 2.24% among adults aged 18-49 years, and 9.83% among those aged 65 years and above.[169] There is a notable inverse correlation between disability and household wealth; the incidence of disability is higher among the poorest population at 3.79%, decreases to 2.77% in the middle wealth quintile, and is lowest among the richest population at 1.97%.[170]

Table -11 Disability Profile of Different Age Groups

	Sex of persons with at least one type of disability (In percentage)		
Background characteristics	**Male**	**Female**	**Both**
5-17 yr	2.28	1.67	1.98
18-49 yr	2.82	1.7	2.24
50-64 yr	5.53	4.03	4.8
65 and above	9.59	10.14	9.83

[168] Bangladesh Bureau of Statistics (BBS) (2021) Report on National Survey on Persons with Disabilities (NSPD) 2021

[169] Bangladesh Bureau of Statistics (BBS) (2021) Report on National Survey on Persons with Disabilities (NSPD) 2021

[170] Bangladesh Bureau of Statistics (BBS) (2021) Report on National Survey on Persons with Disabilities (NSPD) 2021

4. Micro-level analysis: gender, agriculture, water management and ecosystem in Chattogram Hill Tracts

4.1 Context: The Chattogram Hill Tracts

Chattogram Hill Tracts is a unique region in Bangladesh, differing topographically, hydrologically, ethnically, and culturally from the other areas of the country. The diverse region has a population of 1.84 million (2022 Census), including twelve ethnic communities with unique cultures and traditions. The region has rich natural and environmental resources with hills, forests, rivers, and lakes, and a diverse flora and fauna. The scenic beauty of the hilly region is also outstanding. The CHT ecosystem is vital to the local community's economic development and environmental protection. The forest occupies an area of 319,614 ha of land in the CHT, which is about 40% of Bangladesh's forest area. The forests also play a significant role in biodiversity conservation, erosion prevention, maintaining water quality, reducing the severity of floods, and regulating water flow.

Table -12: Household, Population, Household Size and Literacy Rate by Upazila, 2022[171]

Upazila	Total Household	Population		
		Total	Male	Female
Bandarban District	**106155**	**481093**	**246947**	**234146**
Alikadam	12708	63799	33315	30484
Bandarban Sadar	25874	111096	58191	52905
Lama	30437	139681	70526	69155
Naikkhongchhari	16186	76475	38282	38193
Rowangchhari	7317	27719	13989	13730
Ruma	7323	32533	16948	15585
Thanchi	6310	29790	15696	14094
Khagrachhari District	**169526**	**714085**	**357521**	**356564**
Dighinala	28053	115436	58758	56678
Guimara	12361	53256	26754	26502
Khagrachhari Sadar	32555	136134	69095	67039
Lakkhichhari	6509	27148	13838	13310
Mahalchhari	11576	49076	24704	24372
Manikchhari	17695	77024	37653	39371
Matiranga	29998	126604	62310	64294
Panchhari	17173	68673	34278	34395
Ramgarh	13606	60734	30131	30603
Rangamati District	**153482**	**647560**	**333204**	**314356**
Baghaichhari	24788	106282	55248	51034

[171] Bangladesh Bureau of Statistics and Informatics Division (2023). *Population and Housing Census 2022 National Report (Volume I)*.

Upazila	Total Household	Population		
		Total	Male	Female
Barkal	11244	49707	26077	23630
Kawkhali	15384	66309	33343	32966
Belaichhari	7372	29540	15543	13997
Kaptai	13134	55408	28218	27190
Jurachhari	6510	26932	14197	12735
Langadu	20823	90406	45877	44529
Naniarchar	11621	48521	24615	23906
Rajasthali	6992	27864	14131	13733
Rangamati Sadar	35614	146591	75955	70636

4.2 Key issues for the GRACE -LoCALplus: Agriculture, Water Management, Ecosystems, wetlands and biodiversity

4.2.1 Agriculture

One of the most common and suitable forms of cultivation in the CHT is Jum cultivation (shifting cultivation). Besides the Jums, plow cultivation is also practiced by the Indigenous people in the plain lands, which are primarily in the river valleys[172]. In Bangladesh, agriculture and women have been correlated since its independence. Previously, women used to work in the agricultural fields mainly during the post-harvest season. However, because of rapid urbanization and industrialization, there is a rapid migration in rural areas[173]. Along with seasonal migration, people are permanently migrating to urban areas and outside of the country.

This migration has transformed Bangladesh's agriculture sector and created male labor scarcity in rural Bangladesh. Bangladesh Labor Force Survey data indicate that the share of agriculture in rural employment for men has fallen from 52.81 percent in 2013 to 39.3 percent in 2022. Over the same time frame, the percentage of female workers in agriculture has increased from 65.21 percent to 85.1 percent[174].

Table 13 Distribution of rural workers by sector of employment (percent)[175]

Sector of Employment	Male workers		Female workers	
	2013	2022	2013	2022
Agriculture	52.81	39.3	65.21	85.1
Industry	29.48	19.2	24.12	4.7

[172] Dhamai, B.M., 2014. An overview of indigenous peoples in Bangladesh. *Survival under threat: Human rights situation of indigenous peoples in Bangladesh*, pp.10-26.
[173] Afsar, R., 2003, June. Internal migration and the development nexus: the case of Bangladesh. In *Regional conference on migration, development and pro-poor policy choices in Asia* (pp. 22-24).
[174] Bangladesh Bureau of Statistics and Informatics Division (2023). *Population and Housing Census 2022 National Report (Volume I)*.

[175] Bangladesh Bureau of Statistics and Informatics Division (2023). *Population and Housing Census 2022 National Report (Volume I)*.

Service	17.7	41.5	10.66	10.2
Total	**100.00**	**100.00**	**100.00**	**100.00**

The male labor scarcity has, in turn, materialized and shifted the role of women in agriculture from unpaid family workers to farm managers, a recent phenomenon termed the "feminization of agriculture." Despite this change, in Bangladesh, there are stark differences between the access, control, and opportunities of men and women on land, resources, work opportunities, and wages.

As described above, Bangladeshi women have very limited enjoyment of property rights, resulting in the marginalization of women in terms of agricultural decision-making and receipt of agricultural extension. Although both men and women in the household are engaged in farming, the government defines a farmer as 'one who owns land.' The national policy directs extension services to 'farmers,' often targeting just men. Financial and resource constraints also hamper women's adaptive ability because of male domination in receiving information and extension services and also because available adaptation strategies tend to create higher labor loads for women.

In this regard, the Adaptation Fund's Updated Gender Guidance Document for Implementing Entities on compliance with the Adaptation Fund Gender Policy emphasized providing targeted support to women and girls with deep knowledge of adaptation-relevant systems, such as those related to food[176]. To address this issue, empowering women with training, including new agricultural techniques and technologies for cultivation in the CHT, can play a crucial role. In addition, it is also essential to support local women, especially tribal women, in enterprise development and facilitate their active participation in Farmer Field Schools. It is also essential to link female farmers to key agriculture-related government agencies and NGO bodies.

4.2.2 Water Management

The people of the CHT region mostly depend on natural water sources such as springs as water supply sources. CHT's rivers and tributaries are simply the confluence of hundreds of springs in this region. Unfortunately, these springs are gradually drying out due to certain human and natural interventions.

Securing water is a significant challenge in the remote regions of Chattogram Hill Tracts, predominantly home to indigenous communities. These communities rely on natural water sources like waterfalls, creeks, and 'chhoras'—small streams flowing from hills. However, these sources are increasingly drying up because forest encroachment leads to deforestation.[177] This problem intensifies from February to May during the dry season as natural stream flows decline.[178] In the monsoon season, heavy siltation in the streams further restricts access to water.

Consequently, the area experiences growing water scarcity, particularly in the dry season, as the groundwater levels drop annually. Women and children, who are responsible for water collection, are most affected by this crisis. They often venture far from their villages to

[176] Adaptation Fund, Updated Gender Policy and Gender Action Plan of the Adaptation Fund (2021), available at https://www.adaptation-fund.org/wp-content/uploads/2016/04/OPG-Annex-4_GP-and-GAP_approved-March2021pdf1.pdf

[177] Shachi, S.M. (2022). Hydram -- a potential solution for the water starved hilltacts. *Dhaka Tribune*. [online] 31 Jul. Available at: https://www.dhakatribune.com/opinion/op-ed/291416/hydram-a-potential-solution-for-the-water.

[178] Rahman, M.L. (2022). Ensuring water security for ethnic minority communities in CHT. *The ethnic minority people of the Chittagong Hill Tracts already apply the methodology of Nature Based Solutions and Locally Led Adaptation in order to adapt to climate change*. Available at: https://www.icccad.net/blog/ensuring-water-security-for-ethnic-minority-communities-in-cht/.

collect water, navigating deep forests. In some regions, this quest for water can consume almost half a day, involving a strenuous journey up and down steep hills. Additionally, the water they find is frequently contaminated, as latrines are typically located near streams without sewage treatment or water purification facilities. This situation leads to a high prevalence of waterborne diseases in the CHT.[179]

Potential solutions like rainwater harvesting require substantial investment and strong management,. Additionally, constructing tube-wells is difficult due to the rocky terrain and the significantly low water levels in these hilly areas.[180] However, the ethnic minority communities in these regions, at the forefront of climate change, have innovatively adapted to water scarcity using local knowledge. They collect water year-round from natural streams, even during dry periods. This involves constructing a small water reservoir tank with a filtered pipe at the top of a hill near the stream's origin. Water is then channeled from this main reservoir to a secondary one at a lower elevation, with pipelines extending from the second tank to different community locations.[181] To sustain this system, a fee is collected from those using the communal water source, with the funds allocated for maintenance and repairs.[182]

This approach, termed Locally Led Adaptation (LLA), leverages local knowledge and community participation and could be broadly applied to climate change adaptation and water management. However, several prerequisites exist for scaling up these methods. For instance, external financial and technical support is essential for broader application and sustainability. Additionally, long-term planning, local engagement, and opportunities to increase private sector investment in local adaptation efforts are necessary. The Adaptation Fund's Updated Gender Guidance Document for Implementing Entities on compliance with the Adaptation Fund Gender Policy emphasizes providing targeted support to women and girls with deep knowledge of adaptation-relevant systems, such as those related to water[183].

4.2.3 *Ecosystems, wetlands, and biodiversity*

CHT's three districts comprise an area of 13,343 sq. km, with an important ecosystem with dense forest cover and high tropical biological diversity[184]. However, the forest area has rapidly declined in recent years due to large-scale deforestation. Forest experts attribute this rapid reduction of hill forests primarily to their exploitation for expanding agricultural land, driven by the growing population in the hill tracts. This need for more land results in the gradual encroachment and eventual loss of forest areas. Furthermore, illegal logging and the rise in tobacco farming, which requires significant amounts of wood for tobacco curing, contribute to this swift deforestation.[185] Additionally, altered rainfall patterns due to global

[179] Shachi, S.M. (2022). Hydram -- a potential solution for the water starved hilltacts. *Dhaka Tribune*. [online] 31 Jul. Available at: https://www.dhakatribune.com/opinion/op-ed/291416/hydram-a-potential-solution-for-the-water.
[180] Shachi, S.M. (2022). Hydram -- a potential solution for the water starved hilltacts. *Dhaka Tribune*. [online] 31 Jul. Available at: https://www.dhakatribune.com/opinion/op-ed/291416/hydram-a-potential-solution-for-the-water.
[181] Rahman, M.L. (2022). Ensuring water security for ethnic minority communities in CHT. *The ethnic minority people of the Chittagong Hill Tracts already apply the methodology of Nature Based Solutions and Locally Led Adaptation in order to adapt to climate change*. Available at: https://www.icccad.net/blog/ensuring-water-security-for-ethnic-minority-communities-in-cht/.
[182] Rahman, M.L. (2022). Ensuring water security for ethnic minority communities in CHT. *The ethnic minority people of the Chittagong Hill Tracts already apply the methodology of Nature Based Solutions and Locally Led Adaptation in order to adapt to climate change*. Available at: https://www.icccad.net/blog/ensuring-water-security-for-ethnic-minority-communities-in-cht/.
[183] Adaptation Fund, Updated Gender Policy and Gender Action Plan of the Adaptation Fund (2021), available at https://www.adaptation-fund.org/wp-content/uploads/2016/04/OPG-Annex-4_GP-and-GAP_approved-March2021pdf1.pdf
[184] Dhamai, B.M., 2014. An overview of indigenous peoples in Bangladesh. *Survival under threat: Human rights situation of indigenous peoples in Bangladesh*, pp.10-26.
[185] Siddique, A. (2017). How deforestation damaged water sources in CHT. *Dhaka Tribune*. [online] 8 Jun. Available at: https://www.dhakatribune.com/magazine/weekend-tribune/22120/how-deforestation-damaged-water-sources-in-cht.

warming, wildfires sparked by heatwaves, and reduced rainfall further exacerbate the deforestation problem in the region. [186]

In CHT, women are often responsible for collecting and managing forest products essential to the daily lives of their households. However, they are often neglected in the decision-making process within community-level institutions devoted to managing natural resources. Recognizing women's essential role in ecosystems and biodiversity management can make a crucial difference in overall project success. Better ecosystem management can directly affect the livelihood and the welfare of many vulnerable indigenous communities who rely on forest resources.

In Bangladesh, Indigenous women's land rights and management systems are primarily based on their customs and traditions and are not necessarily associated with any written documents for land tenure. However, Indigenous practices, rules, and customary laws for land rights passed down from generation to generation are often unrecognized. Thus, in Bangladesh, lands belonging to Indigenous peoples have often been declared as "Khas" land or state land. These state lands are sometimes unfairly classified as reserve forests or eco-parks.

This practice of ignoring traditional custodians' land rights has led to the widespread depletion of wetlands and biodiversity in the CHT. In this regard, it is crucial to recognize the importance of engaging and empowering local communities, particularly women, in ecosystem decision-making processes. Given the unique ecosystem and socioeconomic context of the Chattogram Hill Tracts, AF project initiatives must be sensitive to the diverse needs of women within these communities. This involves considering women's roles in the ecosystem and other vital sectors and tailoring interventions to enhance their resilience and adaptive capacity.

[186] Siddique, A. (2017). How deforestation damaged water sources in CHT. *Dhaka Tribune*. [online] 8 Jun. Available at: https://www.dhakatribune.com/magazine/weekend-tribune/22120/how-deforestation-damaged-water-sources-in-cht.

5. Gender Action Plan

The entirety of the proposed project has been designed to deliver activities that prioritize women's empowerment and genders-responsiveness, leading to the direct integration of the proposed gender action plan into the project's Theory of Change (ToC) and Logical Framework (see Annex 2A). The table below emphasizes the alignment between the project activities.

Given the disparities and obstacles encountered by women and youth, the project will take into account their unique needs and priorities when it comes to developing, implementing, and monitoring the project. The project has been designed to also be responsive to the needs and urgencies of the southwestern region of Angola, where food and water insecurity is impacted by the geography and intensifying climate impacts, particularly in the form of drought and increased evapotranspiration as well unpredictable precipitation patterns. The gender action plan (and the Logical Framework) encompasses the following specific measures:

Table 14 - Gender Action Plan

Outputs/Objectives	Activities	Performance targets/Indicators	Responsible	Timeframe
Component 1: Capacity building and mainstreaming Climate Change Adaptation (CCA) into local government system for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism				
1.1. Data and evidence on local climate risks to inform local decision making	1.1.1. Undertaking of one multi-district climate risk and vulnerability assessment (CRVA) to inform the local adaptation and risk-informed planning and mainstreaming; 1.1.2. Establishment of local information systems for adaptation (LISA) to complement the CRVA	1.1.1.1 One multi-district CRVA developed (baseline: 0); 1.1.2.1 At least one (1) LISA established, with efforts made to ensure the sustainability and institutionalization of LISA within the community, including women.	PMU Technical specialists	Q3 2024-Q3 2025
1.2. Capacity building of local governments and communities (on the-the-	1.2.1: Awareness and sensitization activities at local and national level on	1.2.1.1 Training needs assessment of men and women with relation to	PMU Technical specialists	Q4 2024 – Q4 2026

job training, workshops, accessible knowledge products)	climate change and the role of local authorities in addressing climate change, through LoCAL (e.g., communication materials, social media, videos, stories, and workshops); 1.2.2. Assessment of needs and capacity gaps in relation to key elements of the approach (e.g., CRVA; adaptation planning and mainstreaming; multi-criteria analysis for prioritization and selection of adaptation interventions; gender; accountability and transparency; environmental safeguards); 1.2.3. Capacity building activities according to needs and capacity gaps identified (e.g., on-the-job learning; trainings; technical assistance; coaching)	climate change and the role of local authorities in addressing climate change identified (baseline: N/A); 1.2.1.2 At least 50% women and girls trained on climate change awareness (baseline: 0). 1.2.2.1 Training needs assessment of men and women with relation to key elements of the approach identified (baseline: N/A); 1.2.2.2. Assessment of key capacity gaps in relation to the project approach (baseline: N/A). 1.2.3.1 At least 50% women and girls trained to address the capacity gaps identified in 1.2.2.1 and 1.2.2.2 (baseline: 0).		
1.3. Updated local government plans and Local Adaptation Plans of Actions (LAPAs) for selected Upazilas	1.3.1. Review of CRVA findings and integration of climate change adaptation in local development planning and budgeting in a participatory and gender-	1.3.1.1 A gender analysis conducted to understand how climate risks and vulnerabilities affect different genders (baseline: N/A);	PMU Technical specialists	Q1 2027 – Q1 2028

	sensitive manner	1.3.1.2 Women's specific concerns and experiences are adequately captured in the CRVA and are integrated in climate change adaptation in local development planning and budgeting (baseline: N/A); 1.3.1.3 An inclusive budgeting process adopted that allows community members, including women, to contribute to decisions on allocating resources for climate adaptation (baseline: N/A).		
Component 2: Grant facility and PBCRG mechanism for adaptation intervention				
2.1: Annual programmes of adaptation for targeted Upazilas	2.1.1. Costing, selection, and prioritization of adaptation interventions and investments to be financed through the PBCRGs, in a participatory and gender-sensitive manner, using multiple criteria (i.e., climate risks; LGA capacities; programmatic synergies; geographic diversity; cost-effectiveness of proposed intervention) with Upazila Block grants Coordination Committee and	2.1.1.1 At least 50% of women engaged in a diverse group of stakeholders, including community members, local authorities, NGOs, women's groups, and other relevant entities, in the process (baseline: 0); 2.1.2.1 At least 50% women and girls engaged in training and implementation of selected adaptation interventions (baseline: 0)	PMU Technical specialists and field officers	Q1 2026 – Q4 2029

	endorsement by the Hill Districts Councils; 2.1.2. Support for implementation of selected adaptation interventions and investments with the involvement of local communities (including scheme design and estimates in collaboration with concerned government departments and private organizations experienced in related matters, procurement of contractors, and supervision of scheme implementation by Upazila parishad committees, handover of schemes to operation and maintenance committee).			
2.2: Locally led climate adaptation interventions and investments	2.2.1: Disbursement of PBCRGs to support the implementation of adaptation interventions and investments in the context of local authorities' annual planning and budgeting cycles; 2.2.2: Annual performance assessments (APA) of the participating local authorities, including	2.2.1.1 Gender-responsive budgeting principles integrated, ensuring that the budget accounts for the specific needs and priorities of different genders within the community (baseline: N/A); 2.2.1.2 At least 50% women engaged in the community meeting in the participatory budgeting	PMU Technical specialists	Q1 2026 – Q1 2029

	compliance with minimum conditions for the subsequent year, appraisal against the performance measures, and compliance with the menu of eligible investments; 2.2.3: Definition of the PBCRG allocations (formula-based) for the subsequent year and priority capacity-building interventions designed to address weaker performance areas identified under the APA.	process (baseline: 0); 2.2.2.1Gender-Disaggregated Participation Rates: Measure the participation of women and men in community meetings, decision-making processes, and consultations related to climate resilience projects, with at least 50% of women participating (baseline: 0) 2.2.3.1 Gender-Disaggregated Participation in Budget Formulation, with at least 50% women (baseline: 0); 2.2.3.2 PBCRG allocations consider and address the specific needs of women and men, ensuring that funds are distributed equitably and respond to gender-specific vulnerabilities (baseline: N/A); 2.2.3.3. Gender considerations are integrated into the criteria used for formula-based PBCRG allocations (baseline: N/A).		
2.3: PBCRG system for	2.3.1: Reporting in line with	2.3.1.1 All reports to	PMU Technical specialist	Q1 2027 – Q1 2029

local-level action, including M&E and reporting	UNCDF's Assessing Climate Change Adaptation Framework (ACCAF) and related learning and sharing of good practices emerging from the experience; 2.3.2: Policy advice and institutional strengthening of central entities in charge of local authorities, finance, and climate change (e.g., manuals, guidelines, regulatory environment)	include gender disaggregated data; gender analysis, and gender responsive indicators (baseline: 0); 2.3.1.2. All learning and knowledge sharing events have at least 50% of women participants (baseline: 0); 2.3.2.1 100% of Manuals and Guidelines include Gender Considerations (baseline: 0)	and Project Manager	

Annex 3: Draft Performance Measures

Performance measures shall include a combination of: (1) Indicators of generic performance and (2) Indicators specific to climate change adaptation, to be further elaborated during the proposal design phase.

Generic Performance Indicators

Performance Area	Performance Measure / Indicator
I. DEMOCRATIC GOVERNANCE (4 indicators)	
1. Functioning of the standing committees	All Upazila Parishad / Pourshava Standing Committees (as per the Act No. 21, point 29) are established
	Committees conduct regular meetings with representatives from Upazila Parishad / Pourshava members and line departments as per the rules in the Act, 2009.
2. Functioning of the Upazila Parishad / Pourshava - Compliance with the working processes:	1. Invitation of participants for meetings 2 weeks in advance,
	2. Minutes of annual meeting(s) on planning show that substantial service delivery issues and priorities across Ups and Line Agencies have been discussed,
	3. Line Agencies are observers in the meetings
	4. Meetings chaired by the chairman
	5. Minimum 80 % of the members attended all meetings,
	6. Regular monthly meetings (12 per year) conducted in the Upazila Parishad / Pourshava premises.
3. Open Budget Meeting	1. Open budget meeting[187] has been conducted in conjunction with discussions of the priorities of funds for the ADP, UZGP grants and other resources.
	2. Meeting attended by Upazila Parishad / Pourshava members, line ministry officials and other local notables (school teachers, rural doctors, businessmen), notables tax payers and NGO officials operating locally
	3. Stakeholders need to be invited/and or public announcement of the event.
4. Active participation of Women members in Upazila Parishad / Pourshava meetings	1. All women members were present in at least 2/3 of the regular monthly Upazila / Parishad Pourshava council meetings held, and
	2. Women members raised issues for debate – minimum one per meeting.
II. PLANNING AND BUDGETING (7 indicators)	
1. Five-year development plan	3. Five-year plan is formulated
	4. Plan disclosed in accordance with the 2009 Act, Art 39.
5. Quality of the Five-Year Planning Document:	1. Upazila Parishad / Pourshava carried out an exercise of poverty and vulnerability profiling,
	2. Listing of poverty-stricken Ups/areas of the Upazila Parishad / Pourshava and/or social /economic mapping, taken variations in Ups into account, etc.;
	3. Used the same in the planning process and/or allocation of resources
2.A – Poverty targeting	4. Planned for use of the resources on the defined poor groups /areas (from mapping) and this is reflected in the five-year Plan Document
2.B – MDG targeting	1. Five-year plan has clear linkage, analysis and description of core MDG sectors and identified projects related with this (health, education, water & sanitation)
	2. Minimum 50 % of the resources planned for these core sectors
2.C- Women/gender issues addressed	Five-year plan has considered issues related with women groups and planned strategies for how to improve access to services and general conditions for women.
3. Existence of an integrated annual plan	1. Upazila Parishad / Pourshava has an annual plan with some planning inputs from Line Departments with clearly outlined objectives, outputs, activities and inputs and time-frames,
	2. Plan has been publicly disclosed
4. Quality of the annual planning document 4.1- MDG targeting:	1. MDG mapping and targeting of plan towards MDG core sectors applied (with core focus on health, education, water and sanitation).
	2. Minimum 50 % of the resources planned for these core sectors.
4.2- Gender Issues addressed	Evidence of women representatives' participation in planning meetings on the annual plan

[187] after the legally described *disclosure* of the draft budget (Art. 38, in the Act)

Performance Area	Performance Measure / Indicator
4.3. Inputs from UZP standing committees	1. Evidence that there is input from the standing committees to the annual Upazila Parishad / Pourshava plans
	2. There is linkage between line department plans and activities and the Upazila Parishad / Pourshava plans
5. Annual budget developed.	1. Availability of a budget document for the Upazila Parishad / Pourshava encompassing grants, other source of revenues (revenue and revenue sharing etc.)
	2. All Upazila Parishad / Pourshava expenditures and revenues with linkage to the annual plan.
	3. The budget has been disclosed at the notice board according to the Art. 38 of the Upazila Act.
6. Consolidated budget encompassing inputs from line departments.	1. Composite budget for the Upazila Parishad / Pourshava, encompassing budget of line departments has been produced based on input from Line Departments.
	2. Regular budget and expenditure overviews are shared with Upazila Parishad / Pourshava and used for discussions during the Upazila Parishad / Pourshava operations in the council meetings.
7. ZP projects finance UPZ level functions	1. At least 65% of Upazila Parishad / Pourshava resources (ADP + UZGP performance- based grants) are planned on projects which are larger than BDT 1,000,000.
	2. At least 65% of the projects are planned to benefit more than one UP.
III. IMPLEMENTATION PERFORMANCE IN ACCORDANCE WITH PLAN AND BUDGETS (3 indicators)	
1. Project implementation	Number (share) of projects as per the annual plan for the previous FY actually implemented
2. Share of projects targeting cross UP activities or more significant UZP investments on UZP functional assignments (as opposed to UP functions) – actual use of funds.	1. At least 65% of the resources (ADP + UZGP performance based development grants) are actually spent on projects which are larger than BDT 1 Million Or
	2. At least 65% of the projects actually benefit more than one UP.
3. Actual Investment expenditure in social sectors / MDG areas	1. Actual expenditures show that a certain amount of the Upazila Parishad / Pourshava's development budget (total resources for development) has been used for the following (social) areas (in sum) a) health, b) education and c) water & sanitation to ensure diversity in implementation and promote MDGs.
VI. TRANSPARENCY and ACCOUNTABILITY (incl. FINANCIAL MANAGEMENT) (6 indicators)	
1. Access to Information	Notice boards in/outside of the Upazila Parishad / Pourshava office with information about: a) Grants from central government received last year, b) Projects supported, c) Statement of Upazila Parishad / Pourshava /UP tax revenue sharing, also showing the tax amounts shared with each UP and implemented during the year d) Revenue and expenditure overview for the previous FY e) Plans for the current FY
2. Publication of core information	Publication/dissemination of: a) Plans and budgets b) Final accounts (use of previous years funds) Financial statement Upazila Parishad / Pourshava Development Fund account c) Audit reports, d) Upazila Parishad / Pourshava annual report / progress reports about the development in projects.
3. Publication of performance assessments	Publication / dissemination of assessment results from the annual Performance Assessments (previous year)
4. Organization of public hearings/social audits/discussion fora	1. Minimum two open meetings per year involving community to be organized by the Upazila Parishad / Pourshava
	2. Meetings to be at the Upazila Parishad / Pourshava premise
	3. During meetings, information is provided to interested stakeholders about on-going projects and overall performance of the Upazila Parishad / Pourshava and/or social audit /Public hearings etc.
5. Level of revenue mobilization to ensure accountability	Own source revenues (Schedule 4 in the Upazila Act) as shown in Upazila Parishad / Pourshava income register have increased by >5% from previous year

Performance Area	Performance Measure / Indicator
6. Financial management	1. Cashbooks and Bank reconciliations up to date (within 1 month)
	2. Register of letters received up – to date
	3. A sample of 3 ledgers (up-to-date)
	4. Income and expenditure vouchers kept and up-to data, numbered, etc. related with the Upazila Parishad / Pourshava funds, including the use of the UZGP performance-based development grants.

Climate Change Adaptation Indicators

Climate Change Adaptation - Specific performance measures are intended to assess the effort deployed by local governments in climate change resilience good practices, including raising awareness among local communities on the climate change adaptation challenges and their own performance in addressing climate change.

Area		Performance Measures
1	CC Resilience Strategy or equivalent	Upazila / Pourshava CCR strategy is updated on annual basis ahead of the annual planning-budgeting process
2	Consistency with CC Adaptation Policy	Activities funded in the budget from PBCR grant is consistent with CCR strategy
3	Citizens Participation	UP have been actively involved in the planning for and allocation of PBCR Grant resources
6	CC Feasibility Studies	Feasibility studies of local infrastructure schemes are conducted, integrating considerations on climate change adaptation/mitigation proofing
7	Environment Impact	Investment schemes are systematically cleared for environmental impact
9	Adherence to CC menu of eligible expenditures	% of PB-CR Grant actually allocated for climate change adaptation activities in adherence with the mandatory menu of CC eligible expenditures
10	CC Activities Implantation	CC projects are implemented on time and according to original design and costing, and/or % of CC activities implemented as per the plan
11	Reporting	Tracking and reporting on the utilization of the PBCR Grant in accordance with established format and schedule
12	Planning	CC challenges and risks are well integrated in the statutory planning process and reflected in the plan document

Annex 4: Population Data - CHT

Population Data 2022				
	Total	**Male**	**Female**	**Trans-gender**
Bandarban	480,642	246,590	234,035	17
Khagrachhari	713,934	357,406	356,477	51
Rangamati	647,253	333,015	314,205	33
Total	**1,841,829**	**937,011**	**904,717**	**101**
15% of total population identified as beneficiaries	276,274	140,552	135,708	15

Population Data – CHT - Source: Bangladesh Population & Housing Census 2011								
Upazila	**Households**	**Population**			**Ethnic Population in Main Groups**			
		total	**Male**	**Female**	**Chakma**	**Marma**	**Tanchaynga**	**Others**
Bandarban Zila	**36676**	**172401**	**87670**	**84731**	**77477**	**38021**	**20685**	**36218**
Alikadam	4021	21327	10955	10372	4046	11599	3079	2603
Bandarban Sadar	8887	39812	20167	19645	22978	5829	1423	9582
Lama	5802	27006	13630	13376	13752	7267	5314	673
Naikhongchhari	2399	11582	5817	5765	4351	1822	305	5104
Rowangchhari	5719	24745	12617	12128	14300	1292	2019	7134
Ruma	5427	26503	13618	12885	9598	5364	3002	8539
Thanchi	4421	21426	10866	10560	8452	4848	5543	2583
Khagrachhari Zila	**70460**	**316987**	**159310**	**157677**	**161960**	**86196**	**67011**	**1820**
Dighinala	14518	65389	33147	32242	57598	7444	93	254
Khagrachhari Sadar	15304	68952	34313	34639	31431	24300	12939	282
Lakshmichhari	4849	20913	10653	10260	14680	159	5823	251
Mahalchhari	7953	35252	17879	17373	20526	3869	10707	150
Manikchhari	3760	17690	8857	8833	1101	3574	12837	178
Matiranga	8779	40020	20047	19973	5484	27223	7180	133
Panchhari	9669	41797	20912	20885	28302	11204	1917	374
Ramgarh	5628	26974	13502	13472	2838	8423	15515	198
Rangamati Zila	**77353**	**356153**	**181820**	**174333**	**260445**	**51235**	**27052**	**17421**
Baghaichhari	15359	72837	37520	35317	67279	43	19	5496
Barkal	7182	35763	18649	17114	34408	676	3	676
Kawkhali	7672	34954	17561	17393	16617	17450	681	206
Belai Chhari	5278	24707	12763	11944	7359	2704	11480	3164
Kaptai	5849	24852	12465	12387	1114	16841	6414	483
Jurai Chhari	5891	26331	13563	12768	25199	68	928	136
Langadu	4751	20882	10755	10127	20510	21	3	348
Naniarchar	7876	36290	18428	17862	35314	854	6	116
Rajasthali	4308	18702	9527	9175	200	10269	4369	3864
Rangamati Sadar	13187	60835	30589	30246	52445	2309	3149	2932

Annex 5: Sector-wise standards aligned with proposed interventions

Sector	Interventions	Standards
Water resources	Community-based rainwater harvesting through indigenous techniques and conservation of wetlands, reservoirs, and natural springs for drinking water supplies in hard-to-reach and water-stressed areas	• The Ministry of Water Resources (MoWR) Guidelines for Rainwater Harvesting: These guidelines provide detailed technical specifications for the design, installation, and operation of rainwater harvesting systems. The guidelines also state that rainwater harvesting is mandatory for all government buildings in Bangladesh. • The Ministry of Environment and Forests (MoEF) Guidelines for Rainwater Harvesting: These guidelines provide general information about rainwater harvesting and encourage the use of rainwater harvesting in both urban and rural areas.
	Planned, participatory, and coordinated land and water resources management	• National Water Policy (2012): This policy sets out the government's vision for managing water resources in Bangladesh. The policy emphasizes the need for planned, participatory, and coordinated management of water resources. • National Water Management Plan (2015): This plan provides a framework for implementing the National Water Policy. The plan identifies the key challenges facing water resources management in Bangladesh and sets out several strategies for addressing these challenges.
	Development of a basin-wide and participatory watershed management framework to restore, harvest, and optimize the use of water resources	• The need to consider the social and environmental impacts of watershed management Watershed Management Guideline for Bangladesh (2009): This guideline provides a framework for developing and implementing watershed management plans in Bangladesh. Ministry of Water Resources (MoWR), 2009 • The need to ensure that watershed management plans are implemented in a sustainable way National Water Resources Management Strategy (2016): This strategy identifies several specific actions that need to be taken to improve the management of water resources in Bangladesh. MoWR, 2016. National Water Resources Management Strategy, Government of the People's Republic of Bangladesh. • The need to build capacity for watershed management Integrated Watershed Management Project (IWMP): This project is funded by the World Bank and is implemented by the MoWR. The project aims to improve the management of water resources in four watersheds in Bangladesh. World Bank, 2016. Integrated Watershed Management Project
	Sustainable shoreline erosion management based on eco or bioengineering measures	• Bangladesh Environmental Guidelines for Coastal Development (BEGCD): The BEGCD guides the sustainable development of coastal areas in Bangladesh. It includes a section on shoreline erosion management, which states that "eco- and bioengineering measures should be used in preference to hard engineering measures whenever possible". • National Action Plan for Protection and Management of Coastal Ecosystems of Bangladesh (NAPM): The NAPM is a government plan that outlines the priorities for protecting and managing coastal ecosystems in Bangladesh. It includes a section on shoreline erosion management stating that "eco- and bioengineering measures should be used to protect and restore shorelines". • Guidelines for Sustainable Shoreline Management in Bangladesh (GSM): The GSM guides the sustainable management of shorelines in Bangladesh. It includes a section on eco- and bioengineering measures, which states that "these measures are more sustainable than hard engineering measures and can be used to protect and restore shorelines".
Agriculture	Extension of climate-smart technologies for increasing irrigation water use efficiency	• National Adaptation Programme of Action (NAPA) outlines Bangladesh's climate change adaptation priorities. It includes a section on water resources management, emphasizing the need to improve irrigation water use efficiency. • National Water Management Plan (NWMP): This plan outlines the priorities for water resources management in Bangladesh. It includes a section on irrigation water use efficiency, emphasizing the need to promote climate-smart technologies. • Guidelines for Irrigation Water Use Efficiency Improvement in Bangladesh (GWUEI): These guidelines guide improving irrigation water use efficiency in Bangladesh. They emphasize the need to use climate-smart technologies, such as drip and sprinkler irrigation. • The National Irrigation Policy, 2015: This policy provides the overall framework for irrigation in Bangladesh. It includes provisions for the promotion of climate-smart technologies. • The National Agricultural Policy, 2018: This policy provides Bangladesh's overall framework for agriculture. It includes provisions for the promotion of climate-smart technologies. • The Bangladesh Climate Change Act, 2019: This law provides the legal framework for climate change adaptation and mitigation in Bangladesh. It includes provisions for the promotion of climate-smart technologies

Sector	Interventions	Standards
	Augmentation of surface water for irrigation and multipurpose use	• The Water Resources Act, 2013: This law provides the legal framework for water resources management in Bangladesh. It includes provisions for the augmentation of surface water. • The National Irrigation Policy, 2015: This policy provides the overall framework for irrigation in Bangladesh. It includes provisions for the augmentation of surface water. • The National Agricultural Policy, 2018: This policy provides Bangladesh's overall framework for agriculture. It includes provisions for the augmentation of surface water. • Water Act, 2013: This act provides the overall framework for water management in Bangladesh. It includes provisions for regulating the use of water in irrigation.
	Extension of stress-tolerant, pest and disease-resistant rice and non-rice crops	• National Agricultural Policy, 2018: This policy provides Bangladesh's overall framework for agriculture. It emphasizes the need to promote stress-tolerant, pest, and disease-resistant crops. • National Seed Policy, 2018: This policy provides the overall framework for seed production and distribution in Bangladesh. It emphasizes promoting quality, stress-tolerant, pest, and disease-resistant seeds. • Guidelines for the Development and Promotion of Stress-Tolerant, Pest and Disease-Resistant Crops in Bangladesh (GTPDR): These guidelines guide developing and promoting stress-tolerant, pest and disease-resistant crops in Bangladesh. They emphasize the need to consider a range of factors, including the climate, the problems and diseases prevalent in Bangladesh, and the requirements of farmers.
	Crop diversification/intensification for natural resources optimization and reduction of climate stress	• National Agricultural Policy, 2018: This policy provides Bangladesh's overall framework for agriculture. It emphasizes the need to promote crop diversification and intensification. • National Adaptation Programme of Action (NAPA) outlines Bangladesh's climate change adaptation priorities. It emphasizes the need to promote crop diversification and intensification to reduce the impacts of climate change on agriculture. • Guidelines for Crop Diversification and Intensification in Bangladesh (CDI): These guidelines guide how to promote crop diversification and intensification in Bangladesh. They emphasize the need to consider a range of factors, including the climate, the soil, and the requirements of farmers.
	Farm modernization/mechanization to reduce climate vulnerability	• National Agricultural Policy, 2018: This policy provides Bangladesh's overall framework for agriculture. It emphasizes the need to promote farm modernization and mechanization to reduce the impacts of climate change on agriculture. • National Adaptation Programme of Action (NAPA) outlines Bangladesh's climate change adaptation priorities. It emphasizes the need to promote farm modernization and mechanization to reduce the impacts of climate change on agriculture. • Guidelines for Farm Modernization and Mechanization in Bangladesh (FMM): These guidelines guide how to sustainably promote farm modernization and mechanization in Bangladesh. They emphasize the need to consider a range of factors, including the climate, the soil, and the requirements of farmers.
	Increased fertilizer use efficiency for enhancing production	• National Agricultural Policy, 2018: This policy provides Bangladesh's overall framework for agriculture. It emphasizes the need to promote increased fertilizer use efficiency to enhance production. • National Fertilizer Policy, 2018: This policy provides the overall framework for fertilizer use in Bangladesh. It emphasizes the need to promote efficient application methods and soil testing. • Guidelines for Increased Fertilizer Use Efficiency in Bangladesh (IFE): These guidelines guide how to sustainably promote increased fertilizer use efficiency in Bangladesh. They emphasize the need to consider a range of factors, including the climate, the soil, and the requirements of farmers. • Environmental Protection Act, 1995: This act provides the overall framework for environmental protection in Bangladesh. It includes provisions for regulating the use of pesticides and fertilizers in agriculture.
	Extension of good agricultural practices, modern agricultural technology, and sloping agricultural land technology (SALT)	• The National Agricultural Technology Policy, 2018 (NATP) outlines the government's vision for developing agricultural technology in Bangladesh. The vision is to create a "technology-enabled agriculture" that is "productive, sustainable, and competitive."
Ecosystems, wetlands, and biodiversity	Development of multifunctional hill and forest management and conservation system	• National Forest Policy, 2016. This policy provides a framework for the management of forests in Bangladesh. The policy includes several provisions for the development of multifunctional hill and forest management and conservation systems, such as: • The establishment of a national forest management authority • The development of management plans • The promotion of sustainable forest management practices
	Adopt other effective area-based conservation measures to fulfill the	National Biodiversity Strategy and Action Plan (NBSAP). This plan provides a framework for the conservation of biodiversity in Bangladesh. The plan includes several provisions for the adoption of other effective area-based conservation measures (OECMs), such as:

Sector	Interventions	Standards
	biodiversity framework target	• The identification of OECMs • The development of management plans for OECMs • The provision of financial assistance for OECMs
	Combat desertification by planting regenerative indigenous species	• The Bangladesh National Action Plan for Combating Desertification and Land Degradation (NAP-CDDL): The NAP-CDDL provides a framework for combatting desertification and land degradation in Bangladesh. The NAP-CDDL includes provisions for the planting of regenerative indigenous species.
	Conservation of agroecosystems through expanded agroforestry, good agricultural practices, and regenerative agriculture	• See above – under the agriculture sector
	Development of a participatory wetlands management framework for the sustainable management of wetlands	• The National Wetland Policy of Bangladesh (2012) states that "the government will promote the participation of local communities in the management of wetlands." • The National Wetland Action Plan of Bangladesh (2013) identifies participatory management as one of the critical strategies for sustainable wetland management. • The Guidelines for Participatory Wetland Management in Bangladesh (2014) provides a framework for developing and implementing participatory wetland management plans.
	Conservation of village common forests (VCFs) through community-based spring, watershed and agricultural landscape management, and soil conservation in the CHT	• See above – under the agriculture sector
	Halda River ecosystem restoration and conservation	• The National Wetland Policy of Bangladesh (2012): This policy states that the government will promote the restoration and conservation of wetlands, including the Halda River. • The National Biodiversity Strategy and Action Plan of Bangladesh (2015): This plan identifies the Halda River as a priority area for biodiversity conservation.
	Watershed management of Kaptai Lake for ecosystem resilience and water retention	• The National Water Policy of Bangladesh (1999): This policy states that the government will promote the restoration and conservation of water bodies, including Kaptai Lake.
	Revitalization of natural springs and sustainable management of water bodies for reducing water scarcity, and the restoration and conservation of ecosystems and biodiversity	• The National Biodiversity Strategy and Action Plan of Bangladesh (2015): This plan identifies the restoration and conservation of water bodies as one of the key strategies for biodiversity conservation.

Annex 6: Checklist – potential social and environmental risks

ES Principles	Compliance	Potential risk, impact	Details of potential risks	Measures to address risks
1. Compliance with the Law	X	Risk: low Impact: Impact	Lack of compliance - possible lack of compliance with laws, regulations, and LGA rules and guidelines (e.g., no planning permission, environmental permits, or construction permits) by grantees during the implementation of interventions	The project will ensure that a description of the legal and regular frameworks will be required for all interventions and grantees to ensure that compliance is met throughout the implementation of the project
2. Access and equity	X	Risk: low Impact: low	Lack of capacity – some stakeholders may not have the technical capacity to participate in the project. Inadequate representation and participation – if stakeholders do not see the value of participating, some communities may not be adequately represented. Competitive access – intense competition for funding among communities may lead to conflicts over resource allocation.	The project's Component 1 will focus on building capacity for stakeholders to ensure they can effectively participate in the project and apply for grants. Awareness building of the project based on transparent information will be produced and shared with Upazilas, including translated into relevant local languages. Transparent criteria will be used for the selection of interventions, with a focus on ensuring greater participation by vulnerable communities (women and tribal groups).
3. Marginalized and vulnerable groups	X	Risk: low Impact: low	See above under 2. Exclusion and marginalization – despite the project's aim to support marginalized and vulnerable groups, there is a risk that certain groups may still be excluded. Power imbalances and lack of participation – groups may face power imbalances making it difficult for them to participate meaningfully in the projects.	See above under 2. The LoCAL PBCGF mechanism ensures the active participation of project stakeholders in the design of the interventions and decision-making, including marginalized and vulnerable groups (including women and tribal groups), providing a safe space for engagement and participation. Consultations during the proposal development stage to inform such groups of the project and participation opportunities.
4. Human rights	X	Risk: low Impact: low	Inadequate consideration of human rights – there is a risk that interventions may not adequately consider the human rights implications of their activities, which could lead to unintended negative impacts on vulnerable communities.	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding human rights.
5. Gender equality and women's empowerment	X	Risk: low Impact: low	See above under 2 and 3. Superficial integration: despite the project's aim to target women and girls, there is a risk that gender considerations are integrated superficially without valuing their input and leadership, which could lead to ineffective outcomes. Unequal distribution of benefits – there is a risk that the interventions may inadvertently benefit men more than women if gender-specific needs are not adequately addressed, leading to further gender	See above under 2 and 3. The project aims for at least 50% of women beneficiaries. Consultations with gender equality experts during the proposal development stage to ensure the project is responsive to various gender needs and roles. The project will apply gender mainstreaming and social inclusion best practices throughout the design and implementation of the project, including focusing on gender equality and women's empowerment-specific interventions.

			disparities.	
6. Core labor rights	X	Risk: low Impact: low	Inadequate consideration of core labor rights – there is a risk that interventions may not adequately consider the core labor rights implications of their activities, which could lead to unintended negative impacts on vulnerable communities.	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding core labor rights.
7. Indigenous Peoples	X	Risk: low Impact: low	See above under 2 and 3. Superficial integration: despite the project's aim to target Indigenous Peoples, there is a risk that considerations are integrated superficially without valuing their input and leadership, which could lead to ineffective outcomes. Unequal distribution of benefits – there is a risk that the interventions may inadvertently benefit other communities than Indigenous Peoples if their needs are not adequately addressed, leading to further disparities.	See above under 2 and 3. The project aims to reach 15% of the population, including the proportion of local tribal groups. The project will apply social inclusion best practices throughout the design and implementation of the project, including focusing on specific interventions with the involvement of tribal groups.
8. Involuntary resettlements	No observed risks	Risk: low Impact: low	Not anticipated, as there will be no involuntary resettlement in this project	N/A
9. Protection of natural habitats	X	Risk: low Impact: high	Unintended ecosystem disturbances – some intervention activities may inadvertently disturb natural habitats, leading to unintended negative ecological impacts. Trade-offs – balancing adaptation needs with habitat projection can lead to conflicts between the desire to protect natural areas and the urgency of addressing climate impacts.	Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Consideration will be provided to prioritize nature-based solutions to achieve adaptation goals and habitat restoration efforts.
10. Conservation of biological diversity	X	Risk: low Impact: high	Inadequate understanding of biodiversity – some interventions may not fully consider the complexity of local biodiversity and ecosystems, leading to unintended negative impacts on species and habitats. Trade-offs – balancing adaptation needs with the conservation of biological diversity can lead to conflicts between the desire to protect natural areas and the urgency of addressing climate impacts.	Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Consideration will be provided to prioritize nature-based solutions to achieve adaptation goals and habitat restoration efforts.
11. Climate change	X	Risk: medium Impact: high	Proposed project interventions are not expected to generate significant greenhouse gases or	Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each

			exacerbate climate change. Maladaptation and limited effectiveness – there are risks that adaptation interventions are not well-planned or based on a solid understanding of local contexts, which can lead to maladaptation and inadequate outcomes. Uncertain future conditions – climate change impacts are uncertain and can change over time; there is a risk that interventions don't take complete account of these uncertainties, leading to challenges as conditions evolve.	USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Updated data and information from various sources will be used for project design and implementation, including each USP's in-depth review process and risk assessment.
12. Pollution prevention and resource efficiency	X	Risk: low Impact: medium	Unintended outcomes – efforts to prevent pollution or enhance resource efficiency might inadvertently lead to other negative impacts, especially if the full environmental context is not considered. Trade-offs – balancing adaptation needs with pollution prevention and resource efficiency can lead to conflicts between the desire to protect natural areas and the urgency of addressing climate impacts.	Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Consideration will be provided to prioritize nature-based solutions to achieve adaptation goals.
13. Public health	X	Risk: low Impact: high	Inadequate consideration of public health – there is a risk that interventions may not adequately consider the public health implications of their activities, which could lead to unintended negative impacts on vulnerable communities.	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding public health. Because this project includes USPs, an in-depth review process and risk assessment (including health impact screening) will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable.
14. Physical and cultural heritage	X	Risk: low Impact: low	Initial consultations have not identified the presence of physical and cultural sites. However, further assessment will be conducted during the project proposal phase. Trade-offs – balancing adaptation priorities with the preservation of physical and cultural heritage can be challenging, leading to potential tensions within communities.	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding preserving physical and cultural sites. Consultations during the proposal development stage to identify any presence of physical and cultural sites to be included as a consideration when developing interventions under this project.
15. Lands and soil	X	Risk: medium Impact: high	Land-use conflicts – balancing different land uses for conservation and development purposes can	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding land

conservation			lead to a risk of conflict among stakeholders with varying interests, including trade-offs with agriculture. Unintended hydrological impacts – some soil conservation measures can affect local hydrology, leading to risks of water availability and quality changes, which is already a significant issue for the region.	use. Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Consideration will be provided to prioritize nature-based solutions to achieve adaptation goals.

Annex 7: Environmental and Social Screening and Environmental and Social Management Plan

This annex contains the following sections:

1. Summary description of the project
2. Screening and Categorization of the project
3. Environmental and Social Management and Monitoring Plan

1. Summary description of the project

The overarching objective of the GRACE-LoCALplus project is to strengthen the climate resilience of vulnerable mountain communities (particularly women and local tribal communities), ecosystems, and economies in the CHT. The project aims to establish a performance-based climate resilience top-up financing mechanism targeting concrete climate change adaptation interventions. The project aims to achieve the following two objectives:

- Enhanced capacity of local governments and vulnerable communities to build resilience to climate change impacts
- Enhanced country systems to access climate finance and deliver locally-led adaptation

Component 1 of the project focuses on capacity building and mainstreaming Climate Change Adaptation (CCA) into the local government system for resilience interventions in line with the Performance-Based Climate Resilience Grant (PBCRG) mechanism. The following activities are included under Component 1:

- 1.1.1. Undertaking of one multi-district climate risk and vulnerability assessment (CRVA) to inform the local adaptation and risk-informed planning and mainstreaming;
- 1.1.2. Establishment of local information systems for adaptation (LISA) to complement the CRVA;
- 1.2.1: Awareness and sensitization activities at local and national level on climate change and the role of local authorities in addressing climate change, through LoCAL (e.g., communication materials, social media, videos, stories, and workshops);
- 1.2.2. Assessment of needs and capacity gaps in relation to key elements of the approach (e.g., CRVA; adaptation planning and mainstreaming; multi-criteria analysis for prioritization and selection of adaptation interventions; gender; accountability and transparency; environmental safeguards);
- 1.2.3: Capacity building activities according to needs and capacity gaps identified (e.g., on-the-job learning; trainings; technical assistance; coaching);
- 1.3.1. Review of CRVA findings and integration of climate change adaptation in local development planning and budgeting in a participatory and gender-sensitive manner.

Component 2 activities will provide a grant facility and PBCRG mechanism for adaptation intervention. The project builds on the experience from the LoCAL I project (piloted the PBCRG mechanism in one district in Bangladesh) and the Local Government Initiative on Climate Change (LoGIC) project in seven districts (Bagerhat, Barguna, Bhola, Khulna, Kurigram, Patuakhali, Sunamgani) of Bangladesh[188]. Component 2, which is particularly aligned with Outcome 2 of AF's Strategic Results Framework, will have the following activities:

- 2.1.1. Costing, selection, and prioritization of adaptation interventions and investments to be financed through the PBCRGs, in a participatory and gender-sensitive manner, using multiple criteria (i.e., climate risks; LGA capacities; programmatic synergies; geographic diversity; cost-effectiveness of proposed intervention) with Upazila Block grants Coordination Committee and endorsement by the Hill Districts Councils.
- 2.1.2. Support for implementation of selected adaptation interventions and investments with the involvement of local communities (including scheme design and estimates in collaboration with concerned government departments and private organizations experienced in related matters, procurement of contractors, and supervision of scheme implementation by Upazila parishad committees, handover of schemes to operation and maintenance committee).
- 2.2.1: Disbursement of PBCRGs to support the implementation of adaptation interventions and investments in the context of local authorities' annual planning and budgeting cycles.
- 2.2.2: Annual performance assessments (APA) of the participating local authorities, including compliance with minimum conditions for the subsequent year, appraisal against the performance measures, and compliance with the menu of eligible investments.
- 2.2.3: Definition of the PBCRG allocations (formula-based) for the subsequent year and priority capacity-building interventions designed to address weaker performance areas identified under the APA.
- 2.3.1: Reporting in line with UNCDF's Assessing Climate Change Adaptation Framework (ACCAF) and related learning and sharing of good practices emerging from the experience.
- 2.3.2: Policy advice and institutional strengthening of central entities in charge of local authorities, finance, and climate change (e.g., manuals, guidelines, regulatory environment)

2. Screening and Categorization of the project

The project was screened against the 15 Environmental and Social Principles of the Adaptation Fund, using the screening tool presented below. This screening tool consists of a list of around 20 general level 1 questions (indicated with two digits, e.g. 3.1) and around 60 detailed level 2 questions (indicated with three digits, e.g. 3.1.1), corresponding to the 15 principles of the Adaptation Fund Environmental and Social Policy. The level 1 questions need to be answered first and they need to be answered ALL. If a level 1 question is answered with a 'yes', it leads to more detailed questions of level 2. All level 2 questions under a level 1 question that triggered a 'yes' need to

[188] Overview of LoGIC can be found here: http://rb.gy/8ot82

be answered. If a level 1 question is answered with a 'no', then the corresponding level 2 questions do not need to be answered.

Answers to the detailed Level 2 questions result in one of three degrees of concern. If any Level 2 question is answered with a 'yes', the indicated degree of concern will determine the degree of concern for the whole activity. This means that if a single question indicates a high degree of concern, the activity is classified as an activity of high concern, and appropriate measures must be taken. If no question is answered with a high degree of concern, but at least one medium-level concern is raised, then the activity is a medium-concern activity. If no Level 1 or Level 2 questions are answered with a 'yes', then the activity is of low concern and no further action is required.

It is possible that a level 1 question is answered with a 'yes' and all associated level 2 questions are answered 'no' as they are more detailed and specific questions of the same issue. If all the level 2 questions are answered 'no', then this area will be of low concern, even if the level 1 questions was answered with a 'yes'. If a potential impact is not covered by any of the L1 or L2 questions, it can be added in the empty box at the end of each of the sections.

Table A7.1: AF Screening Questionnaire

1. Compliance with the law			
		Risk Significance	Mitigation measures
1.1 Is there a risk that the activity would not comply with an applicable domestic or international law?	NO	Low	ICIMOD is committed to complying with both international and national laws. This commitment extends to its partners and contracted service providers, who are also mandated to adhere to these legal standards. To further ensure compliance, ICIMOD has actively involved relevant authorities from the national, departmental, and district levels in the development of its proposals. These authorities will continue to play a crucial role in the project implementation, guaranteeing that all activities align with the applicable laws and regulations. An exhaustive list of laws and regulations the project must ensure compliance with is provided in Part II E and in Annex 6.
1.1.1 Is there a risk that the activity would not comply with an applicable international law?			
1.1.2 Is there a risk that the activity would not comply with an applicable national or local law?			
2. Access and Equity			
2.1 Could the activity lead to changes in local tenure arrangements for existing resources or resources created by the activity?	NO		The project's objective is to strengthen the climate resilience of vulnerable mountain communities. This project is primarily designed to enhance participation and provide equitable access, especially for women and tribal groups in the targeted Upazilas of CHT. The project emphasizes transparency in its intervention selection criteria and aims to ensure understanding and participation among all community members through measures like translations into local languages and regular community consultations. However, the project does not intend to make changes in local tenure arrangements for existing resources or resources created by the activity. The project's goals are more centered around providing equitable access to its activities and preventing disadvantages or conflicts rather than altering existing resource ownership or management structures.
2.1.1 Could the activity lead to changes in tenure arrangements that potentially could put groups or individuals at a disadvantage or could lead to disagreements and conflicts?			
2.2 Could the activity create or exacerbate intra- or inter- community conflicts?	YES	Medium	By prioritizing vulnerable communities, such as women and indigenous groups, the project demonstrates a commitment to addressing the needs of marginalized groups. However, if not managed carefully, this focus could lead to perceptions of favoritism or unequal treatment, which could fuel intra-community conflicts. To mitigate these risks, the project is being carried out in coordination with relevant government entities and stakeholders at the institutional and community levels. This collaboration is aimed at preventing any potential escalation of conflicts, whether within or between communities. Additionally, it ensures that the selection of beneficiaries is equitable and focuses on vulnerable groups such as youth and women. Integral to this process is implementing a grievance mechanism (Complaints and Feedback Mechanism) designed to consistently address, resolve, and monitor any

				grievances, incidents, suggestions, or accidents that may arise during the project's implementation. This mechanism is vital in maintaining transparency and responsiveness throughout the project, further contributing to conflict prevention and the fair distribution of benefits.
	2.2.1 Could activities lead to opening up of existing or creating new minor conflicts or disagreements within or between groupings or communities?	NO	Low	The project activities are expected to facilitate better inclusion and participation among the targeted vulnerable communities. To avoid the potential for minor conflicts or disagreements within or between community groups, the project has set up robust measures to ensure fair and equitable access for all, mainly focusing on women, youth, and other vulnerable groups in the project areas. Besides that, throughout the development of the Funding Proposal (FP) and continuing into the implementation phase, in-depth consultations with communities and stakeholders have been conducted and will be maintained. These consultations are crucial for identifying and overcoming barriers to access and equity. This approach aligns with the Adaptation Fund's Environmental and Social Policy (ESP), ensuring that project activities do not inadvertently create or escalate conflicts or disagreements within or between community groups. By maintaining a consistent and transparent dialogue with all stakeholders and ensuring equitable participation, the project aims to foster a harmonious implementation that benefits all involved parties without causing discord.
	2.2.2 Could activities lead to opening up of existing or creating new conflicts or disagreements within or between groupings or communities which potentially could become entrenched, violent, or spread to additional groups or communities?	NO	Low	As above. The project aims to foster greater inclusion and active participation within the CHT community members. Community members will design the USPs and play a leading role in the project implementation process. With active coordination of the government agencies, robust measures will be implemented to minimize the potential for minor conflicts or disagreements within or between community groups, ensuring equitable access for everyone, with a particular emphasis on women, youth, and other vulnerable demographics in the project areas. There is no existing evidence of entrenched or violent conflict or disagreement within or between communities in CHT, which the project could exacerbate.
	2.2.3 Could the activity bring unequal economic benefits to a limited subset of the target group?	YES	Medium	Given the project's focus on equitable access for women and tribal groups in targeted Upazilas, there's a possibility that the activities might bring unequal economic benefits to these groups. To mitigate this risk, the project implementers will strengthen coordination with relevant governmental and community stakeholders to ensure inclusive and fair selection criteria for beneficiaries. This approach aims to ensure that all segments within the vulnerable groups receive equitable economic benefits. A grievance mechanism (Complaints and Feedback Mechanism) will be established to continuously monitor and address any grievances, incidents, or suggestions, ensuring fair distribution of economic benefits during the project's design and implementation phases.
	2.2.4 Could the activity lead to increased un-employment that would not be absorbed by other sectors or activities?	NO	Low	The project activities are not designed to directly increase or decrease employment but to enhance local capacities and resilience to climate risks. The focus on collecting data and evidence on climate risks, building capacity, updating local plans, and implementing climate adaptation interventions primarily aims to improve decision-making and planning for climate change. The project will also design PBCRG based on active community

				consultation. The project's activities, such as capacity building for local governments and communities and developing local adaptation plans, are more likely to shift the nature of employment rather than reduce it.
2.3 Could the target beneficiaries or stakeholders be dissatisfied due to limited consultation during activity design or implementation (including due to inadequate Complaints and Feedback Mechanisms)?		NO	Low	In-depth consultations have been conducted during the Concept Note (CN) and Funding Proposal (FP) phases and will be maintained throughout the project implementation. An independent grievance and feedback system will be available to support the project, its beneficiaries, and other relevant stakeholders. Details about this mechanism will be broadly distributed to ensure stakeholders have straightforward access. The Grievance Mechanism is described in Annex 8.
	2.3.1 Could the activity lead to dissatisfaction or negative impacts due to lack of beneficiary or other stakeholder participation in planning, design, implementation, or general decision making?			
	2.3.2 Is there a risk that not all relevant stakeholders, and especially marginalised or vulnerable groups, have been identified and consulted or that they have been exposed to internal or external pressure or coercion or not able to comprehend the consultations?			
	2.3.3 Could there be negative impacts due to an inadequate Complaints and Feedback Mechanism during project implementation?			
3. Marginalized and Vulnerable Groups				
3.1 Could the activity impose disproportionate adverse impacts on marginalized and vulnerable groups?		NO	Low	Given the project's exclusive focus on engaging and empowering marginalized and vulnerable groups, including women and tribal communities, and the tailored measures like the PBCGF framework and specialized consultations, it appears unlikely that the activities would impose disproportionate adverse impacts on marginalized and vulnerable groups. The project's approach is intentionally designed to support and benefit these communities, reducing the risk of disproportionate adverse effects.
	3.1.1 Is there a likelihood that the activity would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups?			
	3.1.2 Could the activity potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?			
	3.1.3 Could the activity aggravate the situation of vulnerable, marginalised, or otherwise disadvantaged individuals or groups?			
3.2 Could the activity lead to influx of a temporary or permanent alien workforce?		NO	Low	This project emphasizes local capacity building, engagement of marginalized and vulnerable groups, and the development of local adaptation plans. Also, the project's focus is on leveraging and enhancing

				local knowledge and skills, particularly among women and indigenous groups in the targeted areas, rather than relying on external labor. Therefore, it does not appear that the activities would lead to an influx of a temporary or permanent alien workforce.
	3.2.1 Could the activity lead to influx of a temporary or permanent alien workforce of relatively small size in a relatively isolated or culturally sensitive community?			
	3.2.2 Could the activity lead to influx of a relatively large temporary or permanent major alien workforce (>10% of existing community) or a smaller group which could be expected to have important cultural, health, or socio-economic impact on a local community?			
4. Human Rights				
4.1. Could the activity fail to respect human rights?		NO	Low	The ICIMOD and its partners affirm the fundamental human rights of all people. The project and its intended activities do not risk violating any human rights pillar.
	4.1.1 Could the activity lead to violation of fundamental human rights as defined by international, national or local law?			
	4.1.2 Could the activity of partners, contractors, or suppliers, lead to violation of fundamental human rights as defined by international, national or local law?			
5. Gender Equality and Women's Empowerment				
5.1 Could the activity lead to gender-based inequality, discrimination, exclusion, unwanted workload, or violence?		NO	Low	Considering the project's emphasis on gender equality, aiming to include at least 50% of women beneficiaries, and the integration of gender mainstreaming and social inclusion in its implementation strategy, it is unlikely that the activities would lead to gender-based inequality, discrimination, exclusion, increased workload, or violence. The project has been designed to empower women and ensure equitable benefits from its activities. The involvement of gender equality experts in the proposal development phase and the commitment to gender-sensitive practices mitigate the risks of gender-based adverse outcomes. This approach, centered around gender equality and addressing women's challenges in climate resilience, aims to ensure balanced and safe participation for all genders in the project's activities.
	5.1.1 Could the activity lead to gender-based violence?			
	5.1.2 Could the activity create or amplify conditions for gender-based inequalities?			
	5.1.3 Could the activity lead to gender inequities in who makes decisions?			
	5.1.4 Could the activity lead to increased unpaid work for women and girls?			
6. Core Labour Rights				
6.1 Could the activity fail to respect core labour rights?		NO	Low	Given the project's commitment to adhering to laws, regulations, and local government authority

				guidelines and its specific focus on complying with national and international labor standards, it is unlikely that the activities would fail to respect core labor rights. The IE and its partners also respect international and national labor laws and codes. ICIMOD recognizes the principles and international standards on the matter established by the AF and the relevant international legal framework and applies them internally and in its relationships with third parties.
	6.1.1 Does the activity involve support for employment or livelihoods that may fail to comply with national and international labour standards (i.e. principles and standards of ILO fundamental conventions)?			
	6.1.2 Could the activity, or that of partners, contractors, or suppliers, involve use of child (<14y) or forced labour?			
7. Indigenous Peoples				
7.1 Does the activity involve indigenous peoples or could it affect indigenous peoples?		Yes	Low	The project activities involve indigenous peoples and are designed to affect them positively. The project specifically focuses on integrating local indigenous groups, ensuring their direct involvement in special interventions, and respecting their unique cultural, social, and economic characteristics. This approach indicates a clear involvement of indigenous peoples in the project.
	7.1.1 Could the activity negatively affect indigenous peoples, culturally or otherwise, without their specific Free, Prior, Informed Consent (FPIC)?	No	Low	Through the LoCAL PBCGF mechanism, indigenous people will be given a voice in the intervention design and decision-making processes. FPIC will be obtained from all the participating members during the consultation process with the indigenous community. Besides that, the project's initiatives are shaped to empower indigenous community members and acknowledge their unique knowledge about the CHT ecosystem.
8. Involuntary Resettlement				
8.1. Could the activity lead to resettlement?		NO	Low	The project is not expected to lead to involuntary resettlement, either in physical or economic terms.
	8.1.1 Could the activity lead to involuntary economic or physical resettlement of households or individuals?			
9. Protection of Natural Habitats				
9.1 Could the activity lead to negative impacts on natural habitats?		NO	Low	By conducting detailed reviews and risk assessments for each Unidentified Sub-Project (USP), the project will actively work to protect natural habitats. These assessments will be tailored to each USP's unique environmental and social contexts, ensuring that any potential impacts are thoroughly evaluated and addressed. Additionally, the project prioritizes nature-based solutions for adaptation and habitat restoration, minimizing the risk of negative impacts on natural habitats. Conversely, the project's activities are specifically designed to align with environmental sustainability. This includes implementing avoidance measures for USPs to ensure they do not harm sensitive ecological areas or introduce invasive species. These measures ensure the project's development activities are harmonious with existing natural environments. In the project, there is a provision for regular monitoring and safeguarding measures for each USP to prevent any adverse effects on natural habitats. Moreover, the project's careful planning and proactive

				environmental strategies suggest that its activities are not expected to impact natural habitats adversely. The focus on avoiding interventions in sensitive areas and the commitment to preserving the integrity of natural ecosystems underlines this approach. Furthermore, the project's small-scale nature and local adaptation focus implies that any residual impact on the environment or habitats would likely be minimal and manageable. Avoidance measures in place include: • Avoiding interventions in sensitive ecological areas. • Extensive community consultation during the PBCGF mobilization Ensuring that development is compatible with the existing natural environment.
	9.1.1 Could there be negative impacts on critical migration corridors of endangered or otherwise or important animal or insect species?			
	9.1.2 Could the activity lead to increase in unregulated or unlicensed collecting, hunting, or fishing?			
	9.1.3 Could a natural habitat be significantly degraded, fragmented, or more than half of extent destroyed?			
	9.1.4 Could a natural habitat be almost fully destroyed or degraded so that it no longer could function as natural habitat for the original fauna/flora?			
9.2 Could the activity lead to negative impacts in protected or internationally recognised areas?		NO	Low	The project's approach, particularly in avoiding interventions in sensitive ecological areas based on community consultation, is designed to minimize potential adverse impacts on protected or internationally recognized areas. Although the project includes USPs and these USPs cannot be screened or assessed at this time, a review process and risk assessment will be conducted for each USP to screen for any negative impacts in protected or internationally recognized areas. If such risk is identified, the project will initiate mitigation measures and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique project setting are considered and mitigated. In the project, there is a provision for regular monitoring and safeguarding measures for each USP to avoid any negative impacts in protected or internationally recognized areas.
	9.2.1 Will any major constructions be located close (<200m) to critical habitats, protected areas, or areas of particular or locally recognised ecological significance?			
	9.2.2 Could the activity lead to negative impacts on protected or internationally recognised areas?			
10. Conservation of Biological Diversity				
10.1 Could the activity lead to negative impacts on biodiversity or endangered species?		NO	Low	Considering the project's thorough review and risk assessment process for each Unidentified Sub-Project (USP), with a special emphasis on assessing environmental and social risks and their potential impacts on local ecosystems, it is unlikely that the activities would negatively impact

				biodiversity or endangered species. Although these USPs cannot be screened or assessed at this time, a review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and biodiversity setting are considered, mitigated and the overall project risk category B is not exceeded. The project's strategy to avoid interventions that might disrupt local biodiversity, such as introducing non-native species, and its focus on leveraging indigenous species and diverse ecological practices further mitigates this risk. Regular monitoring and safeguarding measures for each USP are also in place to prevent any adverse effects on biodiversity. Additionally, the project's emphasis on nature-based solutions, prioritizing habitat restoration and adaptation methods that support biodiversity, ensures the avoidance of harm and a positive contribution to ecological enhancement in the project areas.
	10.1.1 Could the activity lead to degradation of biodiversity or significant reduction in one or more common animal, insect, or plant species?			
	10.1.2 Could the activity lead to loss (eradication or removal from local area) of one or more animal, insect, or plant species?			
	10.1.3 Could there be negative impact on any endangered or critically endangered animal, insect, or plant species?			
	10.1.4 Could the activity lead to introduction of invasive alien varieties or species which could influence local genetic resources?			
	10.1.5 Could the activity lead to introduction of invasive alien varieties or species which potentially could eradicate, change, or significantly reduce local naturally occurring varieties or species?			
	10.1.6 Could the activity introduce genetically altered organisms?			
11. Climate Change				
11.1 Could the activity lead to increased exposure, increased vulnerability, or reduced resilience of beneficiaries to the effects of climate change?		NO	Low	Given the project's detailed focus on assessing and mitigating climate risks for each Unidentified Sub-Project (USP), along with the use of updated data and information to design climate-resilient interventions, it is unlikely that the activities would lead to increased exposure, increased vulnerability, or reduced resilience of beneficiaries to the effects of climate change. The project aims to strengthen the climate resilience of vulnerable mountain communities. The project's approach, which includes planning for adaptation measures and continuous monitoring of climate adaptation and mitigation strategies, is specifically aimed at reducing vulnerability and enhancing the resilience of beneficiaries to climate

				change.
	11.1.1 Could the activities result in increased exposure to climate induced hazards?			
	11.1.2 Could the activity result in beneficiaries being more vulnerable to climate-related stresses?			
	11.1.3 Could the activity lead to beneficiaries having less means or options to withstand shocks resulting from extreme weather events (floods, storms, drought)?			
11.2 Could the activity lead to increases in greenhouse gas (GHG) emissions or to reduction of carbon sinks?		NO	Low	Considering the project's emphasis on climate change mitigation and adaptation in its design and implementation, it is unlikely that the activities would lead to increased greenhouse gas (GHG) emissions or reduced carbon sinks. The project's approach, including assessing environmental and social factors and focusing on climate-resilient interventions, suggests a commitment to minimizing GHG emissions and preserving or enhancing carbon sinks. The use of updated data for planning and implementing each Unidentified Sub-Project (USP), along with the monitoring mechanisms to evaluate the effectiveness of climate strategies, further indicates that the project is designed to support climate change mitigation efforts.
	11.2.1 Could the activity lead to significant increases in GHG emissions during operation phase?			
	11.2.2 Could the activity lead to significant degradation or destruction of elements which absorbs and stores carbon from the atmosphere (trees, plants, soils)?			
12. Pollution Prevention and Resource Efficiency				
12.1 Could the activity lead to significantly increased release of pollution to air, land, or water during construction or operation?		NO	Low	None of the activities in the project will release pollutants into the air, soil, or water. Given the project's comprehensive strategy to assess each Unidentified Sub-Project (USP) for pollution risks and prioritize resource efficiency, it is unlikely that the activities would lead to a significantly increased release of pollution to air, land, or water during construction or operation. The project's emphasis on minimizing environmental impacts, preventing pollution, and employing nature-based solutions suggests a commitment to reducing pollution in all forms. Additionally, the focus on sustainable resource use and waste reduction aligns with minimizing the release of pollutants throughout the project's lifecycle. During the implementation phase, regular monitoring and safeguarding measures will be in place to prevent the release of any pollutants into the air, soil, or water.
	12.1.1 Could the activity lead to a dangerous increase in release of pollutants (incl. noise) to air, land, or water during construction or as result of accidents?			
	12.1.2 Could the activity lead to a dangerous increase in release of pollutants (incl. noise) to air, land, or water during normal operation?			

	12.1.3 Will the activity lead to any open burning of plastic waste during construction or operation?			
	12.1.4 Could the activity lead to significant negative impacts on visual aesthetic values?			
	12.1.5 Could the activity lead to discharge of untreated wastewater to the environment?			
12.2 Could the activity lead to procurement, transport, or use of chemicals, hazardous materials, or ozone depleting substances subject to international bans?		NO	Low	Based on the project's approach, which includes a thorough assessment of environmental impacts and a focus on minimizing pollution and resource efficiency, it is unlikely that the activities would involve the procurement, transport, or use of chemicals, hazardous materials, or ozone-depleting substances that are subject to international bans. The project's commitment to environmental sustainability and adherence to best practices suggests a conscientious approach to avoiding harmful substances. Regular monitoring and safeguarding measures will be in place to prevent and address the procurement, transport, or use of chemicals, hazardous materials, or ozone-depleting substances.
	12.2.1 Could the activity lead to procurement, transport, or use of chemicals or other hazardous materials, including asbestos and ozone depleting gases which will not be handled and disposed of safely by following normal Standard Operating Procedures?			
	12.2.2 Could the activity lead to procurement, transport, or use of chemicals or other hazardous materials subject to international bans?			
12.3 Could the activity lead to increased use of agro-chemicals?		NO	Low	The community members emphasized agriculture and water management-related interventions during the consultation session. Although the project includes USPs, which cannot be screened or assessed at this time, a review process and risk assessment will be conducted for each USP to screen for any harmful activities that could lead to increased use of agrochemicals. Ultimately, if such risk is identified, the project will initiate mitigation measures, and identify any required safeguards and monitoring processes. Regular monitoring and safeguarding measures will be in place to prevent any activities that could lead to increased agro-chemical use. Given the project's specific focus on conserving the ecosystem, it is unlikely that the activities would lead to increased agro-chemical use. Avoidance measures in place include: • Extensive community consultation during the PBCGF mobilization • Collaborating with relevant government agencies to identify any project activities that could lead to increased agro-chemical use. Ensuring that development is compatible with the existing natural environment.
	12.3.1 Could the activity lead to use of agro-chemicals that potentially could be replaced or reduced by alternative			

	environmentally friendly products or techniques?			
	12.3.2 Could the activity lead to use of pesticides or other chemicals, which could have an unintended effect on non-target species and environment?			
	12.3.3 Could the activity lead to use of WHO class 1a, 1b, or Class II pesticides without proper application of the International Code of Conduct on Pesticide Management?			
	12.3.4 Could the activity lead to use of pesticides, herbicides or other chemicals or materials containing or polluted by Persistent Organic Pollutants (POP's) as listed by the Stockholm Convention?			
12.4 Could the activity lead to very high resource use (such as fuel or water) during operation?		NO	Low	Considering the project's emphasis on resource efficiency and adopting sustainable practices, it is unlikely that the activities would lead to very high resource use, such as excessive consumption of fuel or water, during operation. These practices generally aim to optimize resource use and reduce environmental impacts.
	12.4.1 Could the activity lead to more than 100,000 litres per year of diesel, in vehicles and/or generators?			
	12.4.2 Could the activity lead to major use of water from unsustainable sources (bottled and transported, gradual depletion of ground- or surface-water, change of local waterways etc.)?			
12.5 Could the activity lead to generation or transport of hazardous or non-hazardous waste which could have negative environmental impacts?		NO	Low	Given the project's commitment to resource efficiency, promoting climate change adaptation practices, and minimizing environmental impacts, it is unlikely that the activities would lead to generating or transporting hazardous or non-hazardous waste that could have negative environmental effects. Regular monitoring and safeguarding measures will be in place to prevent any activities that could lead to generating or transporting hazardous or non-hazardous waste.
	12.5.1 Could the activity lead to significant increase in generation of waste that will not be disposed of in an environmentally friendly manner (recycled, re-used, or recovered) by ICIMOD, beneficiaries, or third parties?			
	12.5.2 Could the activity lead to generation of hazardous waste which will not be handled and disposed of safely by following normal Standard Operating Procedures?			
13. Public Health				
13.1 Could the activity lead to increased risk to community health and safety from use of equipment, materials, transportation, or natural hazards?		NO	Low	The project will not have any detrimental effect on public health. It is unlikely that the USP activities would lead to increased risk to community health and safety from using equipment, materials, transportation, or natural hazards. Each Unidentified Sub-Project (USP) will undergo an extensive review and risk assessment, including a health impact

				screening. This process will ensure compliance with laws, regulations, and local government authority guidelines regarding public health. The assessment will also identify and address any potential health risks associated with each USP's environmental and social context. The focus on enhancing community capacity building suggests a commitment to mitigating risks and improving overall community health and safety. The project's design appears to be mindful of minimizing potential negative impacts related to equipment, materials, transportation, and natural hazards.
	13.1.1 Could activities during construction or operation phase lead to increased community risks from e.g. increased traffic, inappropriate design or use of equipment and materials which would not be handled by following normal Standard Operating Procedures?			
	13.1.2 Could the activity cause community exposure to water-born, water-based, water-related, vector-born or communicable diseases?			
14. Physical and Cultural Heritage				
14.1 Could the activity negatively affect heritage?		NO	Low	Given the project's strong emphasis on respecting and preserving physical and cultural heritage, coupled with the thorough consultations during the USP proposal development, it is unlikely that the project activities would negatively affect heritage. Each USP will undergo an extensive review and risk assessment, including assessing the impact of project activities that can impact heritage. The project is specifically designed and implemented to avoid disrupting or harming any identified physical or cultural sites, ensuring their integrity and value are maintained. Regular monitoring and safeguarding measures will be in place to prevent any activities that could negatively affect heritage.
	14.1.1 Could the activity negatively impact any form of physical or cultural heritage?			
15. Land and Soil Conservation				
15.1 Could the activity lead to negative impacts on soils, groundwater, water bodies, water ways, coastal areas, or the sea		NO	Low	Given the project's focus on sustainable natural resource management practices, it is unlikely that the activities would negatively impact soils, groundwater, water bodies, waterways, coastal areas, or the sea. The USPs will be designed to promote sustainable land and water resource management, aiming to protect and enhance these environmental elements. Regular monitoring and safeguarding measures will be in place to prevent any activities that could negatively impact soils, groundwater, water bodies, waterways, coastal areas, or the sea.
	15.1.1 Could there be significant impacts on quality or quantity of surface- or ground-water?			
	15.1.2 Could the activity lead to major changes in flow regimes of local waterways, conditions of water bodies, or coastal areas?			
	15.1.3 Could the activity lead to increased soil erosion, run-off, or			

	significant changes to soil characteristics?			
	15.1.4 Could the activity lead to serious soil erosion (e.g. major gullies, sheet erosion etc.) or major detriments to soil quality over a large or locally important area?			
15.2 Could the activity lead to negative impacts on forests, wetlands, farming or grazing land, or other landscape elements of ecological or economic importance?		NO	Low	Considering the project's emphasis on ecosystem conservation and local community-based management, it is unlikely that the activities would negatively impact forests, wetlands, farming or grazing land, or other landscape elements of ecological or economic importance. The interventions appear to enhance and protect these vital ecological and economic resources.
	15.2.1 Could the activity lead to degradation or fragmentation of local forest areas, wetlands, prime farming or grazing land, or other landscape elements of ecological or economic importance?			
	15.2.2 Could forests, wetlands, prime farming or grazing land, or other landscape elements of ecological or economic importance be almost fully destroyed or degraded or heavily fragmented?			
	15.2.3 Could the activity lead to significant increase in consumption of locally sourced fuel-wood?			

The screening was conducted at the project proposal stage and based on information available at this time. Due to the unidentified sub-projects (USPs) of Component 2, some of the screening questions triggered a "**Medium risk" categorization, or ESS category B**. USPs will be further screened prior to implementation to identify potential new risks and adopt appropriate mitigation measures to be captured by relevant ESMPs for implementation, monitoring, and reporting.

Indirect, transboundary, and cumulative risks and impacts

In addition to the potential direct risks posed by project activities, the environmental and social risk screening process considered potential indirect, transboundary, and cumulative risks and impacts that could result from the project activities. These considerations have been integrated into the risk screening set out above, in Part II.K, and in Annex 6 of the proposal. The following table summarizes the more overarching potential indirect, transboundary, and cumulative impacts and risks.

Table A7.2 Indirect, transboundary, and cumulative risks and impacts

Risk category	Description	Significance	No further assessment required
Transboundary risks	No terrestrial transboundary risks have been identified as the project activities are small-scale and localized. The inland project activities under Component 2 will not result in any coastal or marine impacts that could lead to physical or environmental transboundary risks. Project activities under Component 1 will lead to enhanced community capacity building and mainstreaming Climate Change Adaptation (CCA) into the local government system for resilience interventions.	**No risk; No physical or environmental** transboundary risks	X
Indirect and/or cumulative physical or environmental risks	Due to the small-scale and localized nature of the project activities and the fact that all activities are designed to be positively synergistic, no indirect and/or cumulative physical or environmental risks are expected.	**No risk**	X
Cumulative economic effects	By building the capacity of local governments and including communities to build resilience to climate change impacts, the project ensures that there will be the institutional capacity to continue climate adaptation work after the funding from the project ends. The project will also enhance country systems to access climate finance and deliver on locally-led adaptation, all while contributing to Bangladesh's climate resilience plans, policies, and strategies. The project activities will positively affect local community members' climate change adaptation capacity.	**No risk; Positive cumulative effects**	X

3. Environmental and Social Management and Monitoring Plan

Table A7.3: Risk mitigation measures for residual risks identified and related monitoring arrangements

ES Principles	Compliance	Potential risk, impact	Details of potential risks	Measures to address risks
1. Compliance with the Law	X	Risk: low Impact: Impact	Lack of compliance - possible lack of compliance with laws, regulations, and LGA rules and guidelines (e.g., no planning permission, environmental permits, or construction permits) by grantees during the implementation of interventions	The project will ensure that a description of the legal and regular frameworks will be required for all interventions and grantees to ensure that compliance is met throughout the implementation of the project
2. Access and equity	X	Risk: low Impact: low	Lack of capacity – some stakeholders may not have the technical capacity to participate in the project. Inadequate representation and participation – if stakeholders do not see the value of participating, some communities may not be adequately represented. Competitive access – intense competition for funding among communities may lead to conflicts over resource allocation.	The project's Component 1 will focus on building capacity for stakeholders to ensure they can effectively participate in the project and apply for grants. Awareness building of the project based on transparent information will be produced and shared with Upazilas, including translated into relevant local languages. Transparent criteria will be used for the selection of interventions, with a focus on ensuring greater participation by vulnerable communities (women and tribal groups).
3. Marginalized and vulnerable groups	X	Risk: low Impact: low	See above under 2. Exclusion and marginalization – despite the project's aim to support marginalized and vulnerable groups, there is a risk that certain groups may still be excluded. Power imbalances and lack of participation – groups may face power imbalances making it difficult for them to participate meaningfully in the projects.	See above under 2. The LoCAL PBCGF mechanism ensures the active participation of project stakeholders in the design of the interventions and decision-making, including marginalized and vulnerable groups (including women and tribal groups), providing a safe space for engagement and participation. Consultations during the proposal development stage to inform such groups of the project and participation opportunities.
4. Human rights	X	Risk: low Impact: low	Inadequate consideration of human rights – there is a risk that interventions may not adequately consider the human rights implications of their activities, which could lead to unintended negative impacts on vulnerable communities.	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding human rights.
5. Gender	X	Risk: low	See above under 2 and 3.	See above under 2 and 3.

ES Principles	Compliance	Potential risk, impact	Details of potential risks	Measures to address risks
equality and women's empowerment		Impact: low	Superficial integration: despite the project's aim to target women and girls, there is a risk that gender considerations are integrated superficially without valuing their input and leadership, which could lead to ineffective outcomes. Unequal distribution of benefits – there is a risk that the interventions may inadvertently benefit men more than women if gender-specific needs are not adequately addressed, leading to further gender disparities.	The project aims for at least 50% of women beneficiaries. Consultations with gender equality experts during the proposal development stage to ensure the project is responsive to various gender needs and roles. The project will apply gender mainstreaming and social inclusion best practices throughout the design and implementation of the project, including focusing on gender equality and women's empowerment-specific interventions.
6. Core labor rights	X	Risk: low Impact: low	Inadequate consideration of core labor rights – there is a risk that interventions may not adequately consider the core labor rights implications of their activities, which could lead to unintended negative impacts on vulnerable communities.	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding core labor rights.
7. Indigenous Peoples	X	Risk: low Impact: low	See above under 2 and 3. Superficial integration: despite the project's aim to target Indigenous Peoples, there is a risk that considerations are integrated superficially without valuing their input and leadership, which could lead to ineffective outcomes. Unequal distribution of benefits – there is a risk that the interventions may inadvertently benefit other communities than Indigenous Peoples if their needs are not adequately addressed, leading to further disparities.	See above under 2 and 3. The project aims to reach 15% of the population, including the proportion of local tribal groups. The project will apply social inclusion best practices throughout the design and implementation of the project, including focusing on specific interventions with the involvement of tribal groups.
8. Involuntary resettlements	No observed risks	Risk: low Impact: low	Not anticipated, as there will be no involuntary resettlement in this project	N/A
9. Protection of natural habitats	X	Risk: low Impact: high	Unintended ecosystem disturbances – some intervention activities may inadvertently disturb natural habitats, leading to unintended negative ecological impacts. Trade-offs – balancing adaptation needs	Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that

ES Principles	Compliance	Potential risk, impact	Details of potential risks	Measures to address risks
			with habitat projection can lead to conflicts between the desire to protect natural areas and the urgency of addressing climate impacts.	risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Consideration will be provided to prioritize nature-based solutions to achieve adaptation goals and habitat restoration efforts.
10. Conservation of biological diversity	X	Risk: low Impact: high	Inadequate understanding of biodiversity – some interventions may not fully consider the complexity of local biodiversity and ecosystems, leading to unintended negative impacts on species and habitats. Trade-offs – balancing adaptation needs with the conservation of biological diversity can lead to conflicts between the desire to protect natural areas and the urgency of addressing climate impacts.	Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Consideration will be provided to prioritize nature-based solutions to achieve adaptation goals and habitat restoration efforts.
11. Climate change	X	Risk: medium Impact: high	Proposed project interventions are not expected to generate significant greenhouse gases or exacerbate climate change. Maladaptation and limited effectiveness – there are risks that adaptation interventions are not well-planned or based on a solid understanding of local contexts, which can lead to maladaptation and inadequate outcomes. Uncertain future conditions – climate change impacts are uncertain and can change over time; there is a risk that interventions don't take complete account of these uncertainties, leading to challenges as conditions evolve.	Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Updated data and information from various sources will be used for project design and implementation, including each USP's in-depth review process and risk assessment.
12. Pollution prevention and resource efficiency	X	Risk: low Impact: medium	Unintended outcomes – efforts to prevent pollution or enhance resource efficiency might inadvertently lead to other negative impacts, especially if the full environmental	Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation

ES Principles	Compliance	Potential risk, impact	Details of potential risks	Measures to address risks
			context is not considered. Trade-offs – balancing adaptation needs with pollution prevention and resource efficiency can lead to conflicts between the desire to protect natural areas and the urgency of addressing climate impacts.	measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Consideration will be provided to prioritize nature-based solutions to achieve adaptation goals.
13. Public health	X	Risk: low Impact: high	Inadequate consideration of public health – there is a risk that interventions may not adequately consider the public health implications of their activities, which could lead to unintended negative impacts on vulnerable communities.	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding public health. Because this project includes USPs, an in-depth review process and risk assessment (including health impact screening) will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable.
14. Physical and cultural heritage	X	Risk: low Impact: low	Initial consultations have not identified the presence of physical and cultural sites. However, further assessment will be conducted during the project proposal phase. Trade-offs – balancing adaptation priorities with the preservation of physical and cultural heritage can be challenging, leading to potential tensions within communities.	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding preserving physical and cultural sites. Consultations during the proposal development stage to identify any presence of physical and cultural sites to be included as a consideration when developing interventions under this project.
15. Lands and soil conservation	X	Risk: medium Impact: high	Land-use conflicts – balancing different land uses for conservation and development purposes can lead to a risk of conflict among stakeholders with varying interests, including trade-offs with agriculture. Unintended hydrological impacts – some soil conservation measures can affect local hydrology, leading to risks of water	See above under 1, which includes ensuring compliance with laws, regulations, and LGA guidelines regarding land use. Because this project includes USPs, an in-depth review process and risk assessment will be conducted for each USP to screen for environmental and social risks, plan mitigation measures, and identify any required safeguards and monitoring processes. This will ensure that

ES Principles	Compliance	Potential risk, impact	Details of potential risks	Measures to address risks
			availability and quality changes, which is already a significant issue for the region.	risks inherent to each USP's unique environment and social setting are considered, and the USP will not go ahead if the risks are deemed unacceptable. Consideration will be provided to prioritize nature-based solutions to achieve adaptation goals.

Annex 8: Grievance Mechanism

Adaptation Fund's Grievance Redress Mechanism

At its 28th meeting in October 2016, the Adaptation Fund Board (the Board) decided to establish the Ad Hoc Complaint Handling Mechanism (ACHM) to promote accountability of the Fund and help respond to complaints raised against a project or programme financed by the Adaptation Fund (the Fund) through a participatory approach. The ACHM complements the Fund's risk management framework, including the Grievance Redress Mechanism of Implementing Entities.

A Grievance Redress Mechanism (GRM) is a system available to all stakeholders, particularly communities and actors affected by the project or programme, that allows them to provide feedback and register concerns. A GRM enhances accountability by giving affected parties a formal channel to voice their concerns. This contributes to transparency in project implementation and helps ensure that the fund's resources are used responsibly. The GRM needs to ensure conflicts will be resolved to meet the needs of both the programme management and the community.

Ideally, the complainants and implementing entities should use the implementing entity's grievance mechanism as a first step. However, the ACHM of the Adaptation Fund can be directly used in cases where the Parties have failed to reach a mutually satisfactory solution through the implementing entities' grievance mechanism within a year.

ICIMOD's Grievance Redress Mechanism

ICIMOD is committed to preventing, detecting, and responding to fraud at the organizational level and during the implementation of its programs and projects. ICIMOD has demonstrated this commitment by developing several organizational policies and procedures, including the Gender and Equity Policy, Environmental and Social Safeguard Policy, and Procedure for Prevention and Redressal of Sexual Harassment at the Workplace. These policies and procedures apply to ICIMOD staff of all categories, implementation partners, suppliers, and all other funding recipients. Each of these policies and procedures has a detailed Grievance Redress Mechanism, where any individual can raise their concerns related to Gender, Equity, Sexual Harassment, and Environmental and Social Safeguard activities of ICIMOD. ICIMOD's Human Resource Policy also includes a Whistle-blower Protection Policy and Procedure section.

Disciplinary Policy

ICIMOD does not tolerate fraudulent or dishonest acts and is fully committed to zero tolerance toward fraud and other financial mismanagement. ICIMOD has an internal grievance mechanism to ensure complaints are promptly reviewed. On an appointment with ICIMOD, all staff members and other personnel agree in principle to abide by and follow the organization's values, norms, rules and regulations, and the institutional code of conduct in their day-to-day behavior and actions. All the ICIMOD staff, including program-level staff members, receive training on the organization's values, norms, rules and regulations, and the institutional code of conduct. Any failure to upload the behavioral standards, internal policy regulations, and norms is constructed as misconduct and renders the ICIMOD staff liable to disciplinary action.

According to ICIMOD's Human Resource Policy, disciplinary measures are taken as a management tool for the mutual benefit of the organization and the staff. ICIMOD aims to ensure a clear, fair, and progressive disciplinary system, enabling staff members to rectify mistakes and behavior immediately. However, serious misconduct may warrant more immediate actions, including suspension or termination of employment.

Anti-Sexual Harassment Policy

To ensure the prevention and redressal of sexual harassment in the workplace, ICIMOD has a comprehensive Anti-Sexual Harassment Policy. The Anti-Sexual Harassment Policy and Procedure have been developed to uphold the interests of justice and fairness so all staff have a forum to approach if sexual harassment occurs. The policy details the processes, committees, offices, steps, and time frame for dealing with cases and complaints of sexual harassment at ICIMOD. The Policy and Procedure seeks to encourage all staff to express freely, responsibly, and in an orderly way their opinions or feelings about any problem or complaint of sexual harassment.

ICIMOD has established a Standing Committee on Sexual Harassment (SCSH) to assess sexual harassment cases. The SCSH is an autonomous institutional structure mandated to administer the Anti-Sexual Harassment Policy. Information about individual complaints and their disposition is generally considered confidential. As soon as the complaint is filed, depending on the seriousness of the complaint and the relationship of the complainant with the respondent/accused, SCSH recommends to the Director General (DG) temporary adjustments to avoid interactions between the complainant and the respondent/accused for any official purposes during the investigation period. SCSH has the presence of an external representative who is mandated to ensure accountability and transparency in the committee. While SCSH is accountable to the ICIMOD Directorate, it is independent of the formal chain of command and mandated to implement the Policy in letter and spirit.

Gender and Equity Policy

Along with its anti-sexual harassment policy, ICIMOD has a Gender and Equity Policy. ICIMOD operationalizes this policy through detailed Gender Action Plans (GAPs), which include gender-specific objectives, activities, indicators, timelines, and resources required. Any grievances related to gender inequality related to ICIMOD's work are accepted through the grievance reporting mechanism and addressed through a redressal mechanism. Any stakeholder concerned about the failure to properly implement this policy may file a complaint by emailing Pema.Gyamtsho@icimod.org ICIMOD is committed to ensuring compliance with the redressal mechanism in a timely, transparent, fair, and equitable manner. All grievances reported to the Centre are reported to the Board of Governors, including data on the number of cases, types of allegations, and a summary of the status and actions taken.

Environmental and Social Safeguards Policy

ICIMOD also has an Environmental and Social Safeguards Policy (ESSP), which supports ICIMOD's mission and vision and aims to enhance the sustainable benefits of its work and avoid unnecessary harm to the environment and affected communities. For all programmes, ESSP ensures a detailed grievance reporting and redressal mechanism. This mechanism ensures that complaints can be easily lodged and resolution provided for reported concerns or grievances. Subsequently, each case is reviewed to understand whether a potential breach of social and environmental risk

principles, standards, or procedures has occurred. Any stakeholder concerned about failure to properly implement this policy and its guidelines may file a complaint online or by email.

Whistle-Blower Protection Policy and Procedure

According to ICIMOD's Human Resource Policy, Whistleblowing refers to anonymous reporting of serious violations and malpractice, including mismanagement, misappropriation of funds, or actual or suspected fraud or abuse of authority by any staff member or stakeholders. The identity of those raising their concerns must be kept confidential as far as possible. ICIMOD staff who, in good faith, raise concerns in line with this policy will be protected by ICIMOD from victimization and other detrimental treatment. Any allegation that proves maliciously or knowingly false will be viewed as a serious disciplinary offense. Any personal interest must be known when first raising concerns.

Programme-Level GRM for GRACE -LoCALplus

As an organization, ICIMOD has established an internal GRM, and ICIMOD plans to use this experience to establish a programme-level GRM for GRACE-LoCALplus. Through GRM for GRACE -LoCALplus, ICIMOD intends to receive concerns or grievances from an affected community about the programme's environmental and social plans or performance. The programme-level GRM will be culturally sensitive and respect the traditional dispute resolution practices of the indigenous community of CHT. ICIMOD's GRM scope covers the following issues but does not necessarily limit the coverage of Programme-level GRM :

- Natural resources
- Pollution
- Cultural assets
- Land acquisition
- Welfare of vulnerable groups
- Sexual Exploitation, Sexual Abuse and Sexual Harassment (SEAH)
- Health and safety of workers
- Other related issues raised in the ESS screening process

For situations involving gender-based violence (GBV), sexual exploitation, abuse or harassment (SEAH), violence against children (VAC), and human trafficking (HT), ICIMOD's GRM will use a 'survivor-centered approach,' ensuring the rights and needs of the survivor (or victim) are at the foremost priority of everyone involved in the programme.

For GRACE -LoCALplus, communities, and stakeholders will be sensitized about the program-level GRM process and form. The government agencies of Bangladesh will play a crucial role in supporting the communities with the information they need to properly submit a grievance. The government agencies will also participate in the grievance redress mechanism by documenting grievances and coordinating with ICIMOD to settle the grievances.

Programme-related Grievances Reporting Process

ICIMOD acknowledges that establishing a proper reporting process for programme-related grievances is fundamental to the success and sustainability of GRACE -LoCALplus. Therefore, GRACE -LoCALplus will have several options to submit programme-related grievances:

1. ICIMOD will designate community representatives or leaders like Headmen (mouza chief) and Krabaris (village chief) to receive and channel grievances to the appropriate authorities. Along with these community representatives, the complainant(s) will also have the right to discuss the concerns during the National Project Implementation Committee meetings. These meetings will be inclusive, allowing open dialogue and problem-solving. The complaint then must be directed to the project AF focal point, who will then forward the complaint to the Project Management Unit of GRACE -LoCALplus
2. Contact the Project Management Unit through the following email address: hrod@icimod.org or Shiba.Banskota@icimod.org
3. Contact by email the key government ministries and agencies (Ministry of Environment, Forests and Climate Change of Bangladesh (MoEFCC); Ministry of Local Government, Rural Development and Cooperatives of Bangladesh, Ministry of Chattogram Hill Tracts Affairs (MoCHTA), Chattogram Hill Tracts Development Board; Three Hill District Councils). The email addresses of these agencies will be displayed in all the programme offices. After receiving complaints, the government ministries and agencies will forward them to the Project Management Unit of GRACE -LoCALplus.
4. GRACE -LoCALplus will actively encourage all the community members to submit grievances through physical forms or letters, especially for collective grievance issues. In this regard, the Project Management Unit of GRACE -LoCALplus will develop grievance reporting forms in multiple indigenous languages and ensure that these forms are readily accessible in all the program offices. The community members can submit these forms or handwritten/typed letters in any GRACE -LoCALplus office. Subsequently, the relevant office in charge will provide an acknowledgment document indicating the possible timeline for receiving an initial response from ICIMOD.
5. GRACE -LoCALplus will actively encourage community members to utilize existing community or social platforms, such as community forums and social media groups, to share grievances collectively and discuss potential solutions. GRACE -LoCALplus will have a public social media group where all the community members can participate and share their opinions. To support this mechanism, ICIMOD will develop a mobile application/app allowing individuals or Groups to submit grievances using smartphones. Subsequently, the complainant(s) will be able to track the status of their grievances in real-time through the app. They will receive updates, notifications, and any responses from the Project Management Unit of GRACE -LoCALplus.

6. ICIMOD will install suggestion boxes in different programme offices where individuals can drop written grievances anonymously. The Project Management Unit of GRACE -LoCALplus will regularly check and address the grievances collected in these boxes.

Grievance Registration and Processing

The GRACE -LoCALplus Project Management Unit will register grievances and contact the ICIMOD legal team. The Project Management Unit will have a designated full-time official for conducting this work, with the direct supervision of the National Project Director. For the avoidance of doubt, the designated official (He/she) will be solely responsible for providing an initial response through an official email or official letter within two business days to the person who submitted the grievance to acknowledge the grievance and explain that the grievance will be logged onto the ICIMOD GRM. This provision of providing an initial response through an official email or official letter will not apply to anonymous grievances received through the suggestion boxes.

Through the Project Management Unit, concerns expressed shall be received by the legal team, who will reach out internally, primarily to the GRACE -LoCALplus staff member in charge of the project or the relevant division. This process aims to address complaints from affected stakeholders, including communities, about the project's social and/or environmental performance and to take measures to redress the situation, where necessary. As a first timeframe, a detailed response will be provided to the complainant within two months, indicating the appropriate process to address the grievance. However, responses to urgent cases will be provided in a shorter timeframe, as quickly as possible. This duration should be sufficient to screen the complaint, outline how the grievance will be processed, screen for eligibility, and assign organizational responsibility for proposing a response. This process may involve engaging with other project stakeholders to resolve the issue. When a grievance is received, the process below should be followed by ICIMOD:

All the grievances will be sorted out through a conflict resolution process. If this process is not functional, other processes will be used, such as a compliance system, the overall objective being to address and redress project stakeholders' grievances simply and efficiently.

Additional Responsibilities of ICIMOD's Project Management Unit

ICIMOD's Project Management Unit will be responsible for informing the complainant that he/she has the right to pursue other options to resolve the complaint if unsatisfied after the ICIMOD GRM process, noting that the GRM may respond to questions from the complainant but does not constitute an advisor or attorney for the complainant. ICIMOD's Project Management Unit is responsible for informing the complainant that he/she has the right to pursue the Ad hoc Complaint Handing Mechanism (ACHM) of

the Adaptation Fund. ICIMOD will record all grievances, which will be kept in a secure place for up to three years after the project's life.

Community-Level Grievance Redress Mechanism for GRACE - LoCALplus

Along with a programme-level GRM, GRACE -LoCALplus will also have a community-level GRM. Resolving grievances at the community level can address potential concerns early on before they escalate. This proactive approach demonstrates ICIMOD's commitment to community engagement and empowerment.

Local communities often possess valuable knowledge about their environments and can provide insights into potential concerns or future solutions. A community-level GRM facilitates the incorporation of local knowledge into decision-making processes. For the avoidance of doubt, all the programme-level GRM provisions for GRACE - LoCALplus specified in Chapter 3 will also apply in community-level GRM. Besides, the community-level GRM will have additional components to ensure a localized and accessible approach to addressing grievances.

GRM procedures will be available for each Unidentified Sub-Project (USPs) at the community level. This will include locally suitable mechanisms such as hotlines, text messaging services, and dropboxes, as appropriate and in local indigenous languages. In addition, all USP stakeholders will be made aware of the GRM's availability once a "go" decision has been made and a USP commences with the inception and project preparation. This same procedure will also apply to hiring new employees or contractors. All the programme-level GRM reporting processes specified in section 3.1 will also apply to community-level GRM. The project will also implement several additional measures to ensure that all community members and project staff feel included and safe to file grievances. These include:

- Providing means at project sites (available in local languages) for employees and relevant stakeholders to access the GRM instantaneously and privately (e.g., through a hotline, dropbox, or other means). Community members will have easy access to these locations to submit grievances, ensuring accessibility for those without internet access.
- Ensuring new employees are aware of the GRM and specific access points.
- Conducting community engagement sessions (as/if needed or requested by the Government of Bangladesh) to spread awareness.
- Liaising with government agencies to expand access and awareness through other modalities as they see fit.

ICIMOD will regularly consult with community members and stakeholders to ensure the GRM remains culturally relevant and effective throughout the project lifecycle. During these consultations, the Project Management Unit will share the status of grievances, actions taken, and lessons learned. Besides, ICIMOD will use grievance data to identify patterns, address systemic issues, and improve project implementation.