ADAPTATION FUND

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Adaptation Fund Board
Project and Programme Review Committee
Thirty-seventh meeting
Bonn, Germany

LOCALLY-LED ADAPTATION REGIONAL PROPOSAL FOR SRI LANKA

ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: LLA Single country concept note

Country/Region: Sri Lanka
Project Title: Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)
Thematic Focal Area: Climate resilience and early warning systems; water management
Implementing Entity: Multilateral Implementing Entity
Executing Entities: Ministry of Environment; District Secretariat Batticaloa; Selected Local Authorities (MC &UCs); Village Disaster Management Committees; Farmer organizations; UN-Habitat
AF Project ID: AF00000510
IE Project ID:
Requested Financing from Adaptation Fund (US Dollars): 5,000,000
Reviewer and contact person: Anjeeta Barnwal
Co-reviewer(s): Alyssa Gomes
IE Contact Person:

Technical Summary:	The project "Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)" aims to increase adaptive capacity of vulnerable communities in Batticaloa District to respond to the impacts of climate change through locally led, community-driven nature-based solutions (NbS)) for protection and restoration of ecosystem services negatively affected by both droughts and floods to maintain livelihoods successively. This will be done through three components below: Component 1: Restoration of Ecosystem services (USD 3,300,000); Component 2: Reduced Exposure to Flood Hazards and building technical resources (USD 615,507); Component 3: Capacity Building of government and community to respond to flood and drought hazards (USD 225,000). Requested financing overview: Project/Programme Execution Cost: USD 437,788 Total Project/Programme Cost: USD 4,608,295 Implementing Fee: USD 391,705 Financing Requested: USD 5,000,000 The proposal includes a request for a project formulation grant of USD 143,220. However, the PFG application in

	the AF template is not provided. The MIE is required to submit the PFG form. The initial technical review raises several issues such as lack of clear climate adaptation rationale, integration of LLA principles in the project components, sustainability of proposed interventions and logical linkages between components and causal pathways to achieve adaptation objectives. These are discussed in the form of Clarification Requests (CRs) and Corrective Action Requests (CARs) in the review sheet.
Date:	6 March , 2026

Review Criteria	Questions	Comments 1st Review [6 March 2026]
Country Eligibility	1. Is the country party to the Kyoto Protocol and/or the Paris Agreement?	Yes.
	2. Is the country a developing country particularly vulnerable to the adverse effects of climate change?	Yes.
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project/programme?	Yes. As per the Endorsement letter dated 9 February 2026.
	2. Does the length of the proposal amount to no more than fifty (50) pages for the Concept note project document, including its annexes?	Yes.
	3. Does the project / programme support concrete adaptation actions to assist the country and/or the local actors in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?	**Not cleared.** The proposal aims to strengthen adaptive capacity of vulnerable communities in Batticaloa district in Sri Lanka by restoring existing canal, water tanks and bunds complemented by a flood forecasting and decision-making tool and strengthened institutional capacity at the local level. However, the proposal doesn't clearly describe the climate vulnerabilities, the rationale for the selected interventions and long term adaptation benefits from the proposed solutions. **CR1:** Please strengthen the climate change adaptation justification by: - Providing evidence on projected climate risks (e.g., changes in precipitation patterns, flood frequency and intensity, drought occurrence, sea level rise and saltwater intrusion) affecting

		Batticaloa district using available climate studies, national assessments, or publicly available climate information platforms. - Describing the root causes of climate vulnerability of communities and ecosystems in the target area, including exposure of livelihoods and infrastructure, and barriers to adaptation (e.g., institutional capacity gaps, governance constraints, information limitations, or access to finance). - Including a summary table or structured analysis outlining current and projected climate impacts in Batticaloa on key livelihood sectors, infrastructure systems, and ecosystems. - Clarifying the logical relationship between the proposed components, which currently appear partially overlapping and primarily consultation-driven. Please explain whether a systematic planning framework (e.g., watershed planning, ecosystem-based adaptation planning, spatial analysis, or hydrological risk assessments) will be used to guide the identification and prioritization of interventions. - Explaining the evidence base supporting the effectiveness of the proposed interventions in addressing the identified climate risks. The proposal currently indicates that interventions were identified through initial consultations; please clarify how scientific evidence, climate data, and participatory assessments will jointly inform final activity selection. - Clarifying how the project will avoid potential maladaptation, including how long-term climate projections will inform the design of infrastructure restoration activities. - Explaining how the proposed interventions will deliver long-term adaptation benefits, including how restored canals, tanks, and bunds will be maintained and remain effective under changing climate conditions. - Clarifying the causal pathway between the interventions and the stated beneficiary population (240,000 people), including how the proposed activities are expected to reduce climate vulnerability and strengthen adaptive capacity at scale. - Please also add the missing reference cited in the proposal regarding the National Drought Plan for Sri Lanka.

		Under Component 1 the project proposes multiple nature-based and ecosystem restoration interventions including rehabilitation of Thona drainage canals, stormwater drainage improvements, saltwater intrusion bund restoration, irrigation tank rehabilitation, and riparian buffers. However, the proposal does not yet clearly explain how these interventions function together as part of a **coherent ecosystem-based adaptation strategy**. **CR2:** Please clarify: • How the proposed interventions are hydrologically and ecologically connected, and how their combined implementation will improve resilience of ecosystems and communities in the Batticaloa watershed. • Whether the interventions will be guided by systematic hydrological, watershed, or ecosystem planning, rather than implemented as a series of individual infrastructure activities. • How the proposed hydrological studies will inform intervention prioritization, given that several activities appear to be pre-identified. • How the proposed flood forecasting and numerical modelling systems will be integrated into existing national forecasting systems, and how resulting information will be communicated to local communities. In addition, please clarify how the activities under **Component 3 relate to Components 1 and 2**, including how institutional strengthening activities support the implementation and long-term management of the proposed NbS interventions. Component 2 proposes to integrate existing weather forecast systems with community-supported rain and rain gauge networks which is being identified through consultations with communities and local authorities. In the current stage of technological advancement, the justification for investing in basic rain-gauge systems is not sufficiently clear. Clearly define the innovation and additionality to existing weather forecast systems and what other technological options were considered. This component also includes an intervention "*Improve culverts and bridges through community-identified prioritization and co-managed upgrading to enhance flood conveyance, connectivity,*

		and climate resilience of local transport and drainage systems at 5 locations". **CR3:** Please clarify - How the proposed forecasting and decision support system will be locally-led and where it will be institutionalized for effective application to benefit local communities aligned with LLA principles. - What alternative technological options were considered during project design. How the proposed system will be institutionalized within existing national or local monitoring systems, including the responsible agencies for operation and maintenance. How the resulting information will be disseminated to communities and integrated into local early warning systems, consistent with LLA principles. - What was the scientific and technical basis for this intervention and how it fits under this component and in the overall project which focuses on nature-based solutions. As mentioned in the previous comment, please clarify how this entire component is linked to component 1. At present, the proposal uses NbS language throughout, but several of the main interventions appear to be better described as a **mix of rehabilitation of existing water and drainage infrastructure, flood management works, and enabling systems**, rather than clearly articulated NbS. The proposal does not yet demonstrate sufficiently **how the interventions protect, restore, or sustainably manage ecosystems in a way that is central to the adaptation logic**, as opposed to simply accompanying infrastructure rehabilitation. Here is a draft CR in your narrative style: The proposal presents the project as being centered on nature-based solutions (NbS). However, the NbS rationale for several of the proposed interventions is not yet sufficiently clear.

		In particular, activities such as rehabilitation of Thona drainage canals, improvement of stormwater drainage systems, repair of saltwater intrusion prevention bunds, rehabilitation of irrigation tanks, installation of gauges, development of forecasting tools, and upgrading of culverts and bridges appear, as currently described, to consist largely of restoration or improvement of water management and drainage infrastructure. While some of these interventions may contribute to climate resilience and may include ecosystem-related elements, the proposal does not yet clearly explain the extent to which they qualify as NbS, or how ecosystem protection, restoration, or sustainable management is the primary mechanism through which adaptation benefits will be achieved. **CR4: Please clarify and strengthen the proposal by** • clearly identifying which interventions are considered NbS, and which are supporting, enabling, or complementary measures; • explaining for each NbS intervention what ecosystem is being protected, restored, or sustainably managed, and how this generates adaptation benefits for vulnerable communities; • clarifying how interventions such as drainage rehabilitation, earth bund restoration, irrigation tank rehabilitation, and culvert/bridge improvements fit within the project's stated NbS approach, and whether any of these should instead be presented as hybrid or conventional adaptation measures; • explaining the ecological basis for the proposed interventions, including how they will restore or enhance ecosystem functions rather than primarily rehabilitate physical assets; • clarifying whether the project is applying any recognized NbS principles, criteria, or design approach to guide intervention selection and design; • ensuring that the description of expected benefits remains consistent with the actual scope of activities. For example, the proposal refers in some sections to broader ecosystem restoration, mangrove restoration, community forestry, and livelihood co-benefits, but these are not clearly reflected in the component design. If the project intends to present a combination of NbS, hybrid, and enabling interventions, please revise the proposal to reflect this more accurately and explain the role of each within the overall adaptation strategy.

		CR5: Please clarify how the proposed training and capacity building activities under component 3 will support components 1 and 2. For example, it proposes to train communities on NbS planning. However, all the interventions are already identified. Thus, it is not clear if the capacity building and institutional strengthening activities will be done prior to interventions in components 1 and 2, in parallel or after. Ideally, capacity building, planning and institutional systems should be strengthened first to ensure that local communities and institutions have the necessary capacity to identify, design, implement and maintain the adaptation interventions. **CR6:** Please clarify the relevance of component 3.3 related to urban planning and resettlement policies, in the overall project design and more specifically to components 1 and 2. This component identifies village development committees, farmer organizations, women-led early warning groups and others to benefit from training and capacity building. However, it is not clear how they will be systematically integrated in the existing governance systems to develop adaptation plans, decide on interventions, manage funds and maintain the NBS solutions in the long term. These clarifications should be provided at a level of detail appropriated to concept note stage, with further technical elaboration to be undertaken at full proposal stage. **CAR1:** Please revise the project component descriptions to: - clearly define the outcomes and outputs under each component and make it consistent with the project components table; - specify the key activities that will deliver those outputs; and - demonstrate a clear and logical linkage between activities, outputs, and the project's adaptation objectives. - consider including a Theory of Change for the project clearly articulating, the problems, barriers, interventions, outputs, outcomes and impact. Include key assumptions and risks. Follow the AF guidance for this Theory-of-Change_Logframe_EDA-Example.pdf

		- Clearly articulate how LLA principles are integrated in each component.
	4. Does the project/programme enable devolving decision making to the lowest appropriate level? Does it give local institutions and communities more direct access to finance and decision-making power over how adaptation actions are defined, prioritized, designed, implemented; how progress is monitored and how success is evaluated.	**Not cleared.** While the proposal expresses commitment to locally led adaptation and references community participation, the project does not yet demonstrate how decision-making authority will be devolved to the lowest appropriate level in line with the Adaptation Fund's LLA principle. **CR7:** Please clarify the rationale for the project to be considered as an LLA project, including how the project will enable meaningful participation of communities and whether local actors will have direct influence over planning and financing decisions. **CR8:** The LLA alignment section broadly refers to community-informed planning, management and implementation of the project. However, it is unclear how the local institutions and community groups will lead or co-decide the identification, prioritization, design, approval, implementation, monitoring, and evaluation of adaptation actions across the three components during the project implementation stage. The proposal mentions that the interventions have been pre-identified in consultation with the local groups. As mentioned earlier, this process lacks a systematic approach of participatory planning backed by scientific and technical data and knowledge in relation to projected climate risks. This process potentially indicates validation of interventions pre-defined by technical agencies or external implementers. The project should consider developing a clear institutional framework specifying role of community groups, local committees and sub-national and national governments in the overall project and define how planning, programming, fund flow and monitoring of the activities will be carried out in line with the LLA principles. Overall, the proposal articulates LLA at the level of intent and

		participation, but does not yet provide the operational detail required to assess whether the project will genuinely devolve authority and resources to local actors. **CAR2:** Please revise the proposal to clearly explain how the project will operationalize LLA principles, including: - which local institutions or community bodies hold decision-making authority at each stage of the project cycle (prioritization of Thonas, tank selection, bund sections, gauge locations, culvert upgrades, land-use planning, monitoring, and evaluation). - how financial decision-making and control will be exercised at the local level, including whether community groups can approve budgets, reallocate funds, or influence expenditure decisions. - how accountability, transparency, and grievance mechanisms will operate for community stakeholders, including women, youth, Indigenous groups, and marginalized households. - how learning and feedback loops from communities will inform adaptive management and allow interventions to be adjusted over time based on local experience. - how local committees, farmers groups, women-led groups will be integrated in the existing governance systems for long term sustainability.
	5. 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	**Not cleared.** **CR9:** The economic benefits and increased income from the project appears more indirect. The project doesn't provide substantive evidence of how Thonas are critically important for agriculture and other livelihoods in the region, the level of economic losses from salt water breaching into the farm fields and potential avoidance of loss in livelihoods and nature due to strengthened early warning systems. It

	Environmental and Social Policy and Gender Policy of the Fund? Does the project/programme address structural inequalities faced by women, youth, children, people with disabilities, people who are displaced, Indigenous Peoples and marginalized ethnic groups?	assumes that the interventions will lead to increased production of seasonal crops, inland fisheries and co-benefits like community forestry and mangrove restoration. However, the project doesn't include any direct activities to support these. The project should consider including some resilient livelihood activities to support such activities to complement the nature-based solutions interventions for direct economic and resilience benefits to communities. This will bring innovation to the project going beyond simple renovation and restoration of existing structures. **CAR3**: This section mentions that the project will support community forestry and mangrove restoration. However, in component 1, it is not mentioned as one of the nature-based solutions. Please add to make the argument consistent. **CAR4:** Please add a clear description of what structural inequalities exist and exacerbated by climate change, and how the proposed interventions will address them, particularly for women, Indigenous Peoples, disabled and other marginalized communities, including: - how these groups will be represented in governance and decision-making structures; - how equitable access to resources and benefits will be ensured; and - how risks and potential negative impacts will be identified and mitigated in compliance with the Environmental and Social Policy and Gender Policy.
	6. Is the project / programme cost effective?	**Not cleared.** The proposal provides a qualitative comparison between the proposed interventions and alternative infrastructure solutions. While the overall logic is reasonable, cost-effectiveness is not yet sufficiently demonstrated from a **long-term adaptation and sustainability perspective**. **CR10:** Please strengthen the cost-effectiveness analysis by clarifying:

		• How the proposed interventions are aligned with national and sub-national policies and governance systems, ensuring their prioritization and long-term support. • The durability of the proposed interventions under future climate extremes, including how risks of maladaptation will be avoided. • Whether hybrid green-gray solutions or other complementary adaptation measures were considered. • The financial and governance mechanisms that will support operation and maintenance of the proposed interventions after the project ends. • Whether alternative technological options were considered for the proposed monitoring systems under Component 2.
	7. Is the project / programme consistent with national, sub-national or local sustainable development strategies, national, sub-national or local development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?	**Not Cleared.** The proposal references its alignment with national and sub-national plans and strategies such as National Adaptation Plan (existing and upcoming), National Climate Finance Strategy, NDC adaptation targets for agriculture, biodiversity, water, fisheries and human settlements sectors. It also notes alignment with Clean Sri Lanka and Batticaloa Five Year District Development Plan (2024 – 2028). However, the proposal does not describe how the proposed interventions support the objectives, targets, and priority actions outlined in these frameworks, nor does it articulate the specific pathways through which project activities will contribute to national and local adaptation outcomes. **CR11:** Please provide a clearer explanation of how major project component or group of activities contribute to the priority adaptation actions and sectoral targets outlined across these national and sub-national strategies (NAPs, NDCs, Climate Finance Strategy, Clean Sri Lanka, and district plans). **CR12:** Clarify how the project will ensure coherence with sub-national and local development plans, including how LLA principle will be apply to align project activities with district and local priorities.

		CAR5: Revise the section to clearly link project activities to national and local strategies, showing how they align with and support existing government programmes.
	8. Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund? Does the project provide support to local actors and build their capacities to comply with the standards?	**Not Cleared.** The proposal states that the project will comply with the Government of Sri Lanka laws and regulations and adhere to the principles of Adaptation Funds. It also notes that the project components and outputs will meet technical standards prescribed in environment, forestry, agriculture, agrarian services, fisheries, disaster management and water resources management national technical guidelines and norms. However, it doesn't identify the specific national and technical standards applicable to each project component, the relevant AF ESP principles, the responsible oversight authorities, the compliance mechanisms or the local capacity building that will be provided. **CR13:** At an appropriate level for the concept note stage, clarify: - Key national technical standards and regulations relevant to the proposed activities (e.g., water resources management, irrigation infrastructure, land use planning, environmental impact assessment, biodiversity protection, disaster risk management). - The government institutions responsible for oversight and enforcement of these standards. - The mechanisms that will ensure compliance during implementation. - The capacity-building support that will be provided to local actors to enable compliance with these standards. **CAR6:** Please revise the section by presenting the information in a clear, structured format or a table that links project components, project areas, applicable national technical standards, relevant AF ESP principles, oversight authorities, compliance mechanisms and local capacity-building measures.
	9. Is there duplication of project / programme with other funding sources? Does the project enhance collaboration across sectors and	**Not Cleared** The proposal indicates that the proposed interventions are new and are not supported by other funding sources. It mentions its intent to complement and learn from ongoing initiatives. However, it does not identify any ongoing initiatives, or relevant projects or programmes. As

	enhance efficiencies and good practice?	a result, the proposal doesn't describe linkages, synergies, or how duplication will be avoided. **CR14:** Please identify relevant ongoing or planned projects or programmes in Sri Lanka that overlap or complement with the proposed project. Briefly explain where the overlaps may occur, how duplication will be avoided, how lessons learned and synergies from these initiatives have informed the project design. For clarity, it is recommended to present this in a summary table e.g.: project name, donor, focus area, geographic scope, relationship to the proposed project, duplication-avoidance and complementarity.
	10. Does the project / programme have a learning and knowledge management component to capture and feedback lessons, in particular managing traditional and/or indigenous knowledge, where relevant? Does it contribute to building and institutionalizing local capabilities?	**Not Cleared.** **CR15:** Section-G captures learning and knowledge-sharing activities, but it remains high-level. The proposal outlines how the project will help national technical agencies test their assumptions and give government an opportunity to review context-specific approaches and scale up successful activities for community and ecosystem resilience. However, it does not clearly explain how communities will participate in the learning process or how traditional and Indigenous knowledge will be governed, protected, and integrated into learning and decision-making. It is not clear: - how communities will participate and contribute to learning processes beyond trainings, how their traditional knowledge will be integrated and how this engagement will be monitored and reported. - how knowledge products will be made accessible and usable, to diverse community groups, including those with limited digital access. - how communities and local institutions will use the lessons to modify activities, budgets, and implementation approaches. - how knowledge will be institutionalized within government systems, with mechanisms for uptake, coordination, sustainability and dissemination beyond the project region. The section also does not clearly connect learning activities to Component 3 outputs and outcome. Please strengthen the link between learning activities and expected results. The section would

		benefit from a clearer description of how learning from trainings, co-management of Thona networks, land-use planning processes, and VDMC/women-led groups will be translated into practical feedback loops that help communities and sub-national institutions adjust their practices over time. **CAR7**: Please revise the section to provide a clear, structured explanation of: - how communities will be engaged in learning and how they will benefit from it - how knowledge and learnings will be generated, analyzed and used in decision making and adjust project activities - how traditional and Indigenous knowledge will be governed, protected, and integrated - how knowledge products and platforms will be accessible and useful to communities - how learning will be institutionalized within government systems
	11. Has a consultative process taken place, and has it involved and encouraged all key stakeholders, and vulnerable groups, to meaningfully participate in and lead adaptation decisions? Did the consultative process consider and address gender-based, economic and other inequalities in compliance with the Environmental and Social Policy and Gender Policy of the Fund?	**Not Cleared** The proposal lists a series of meetings with government agencies, technical institutions, local authorities, and selected community groups. This illustrates diverse engagement, but it is not clear whether the inputs collected through series of these meetings were consolidated, shared back, and discussed with all relevant stakeholder groups, or how they informed the final design of the proposal. Some priorities raised during consultations such as the water-supply project for 3,500 families and the establishment of a treatment plant do not appear in the proposal, making it unclear how feedback was screened or integrated. It is also noted that the Women's Self-Help Group was consulted bilaterally and not included in the larger stakeholder consultation meeting, which limits understanding of how women's perspectives were incorporated into broader decision-making. While these consultations illustrate early engagement with institutional stakeholders, the information does not clarify: - If any key inputs, concerns, lessons learned, or priorities from prior engagement or baseline programme experience that directly informed the design of this Adaptation Fund concept

		- how inputs collected were consolidated, shared back, and discussed with all relevant stakeholder groups, or how they informed the final design of the proposal - If vulnerable groups (women, youth, Indigenous groups, persons with disabilities etc.) were systematically engaged - how inputs from communities and livelihood groups informed the design of the concept note - whether any initial gender analysis or social assessment informed the consultation process **CR16:** Please clarify If any key inputs, concerns, lessons learned, or priorities from consultations and baseline experience directly informed the design of this project concept. Secondly, please clarify if vulnerable groups were meaningfully engaged and describe how their views, concerns, priorities and systematic inequalities were considered in the project. The Table 6 only indicates areas of agreements but doesn't provide full picture of topics discussed and the process followed to finalize the project design.
	12. Is the requested financing justified on the basis of full cost of adaptation reasoning?	**Not Cleared.** The project aims to use AF resources for NBS, developing decision tools and data systems and strengthening institutional capacity to meet the adaptation objectives of vulnerable communities. On the full cost basis, the causal linkage of proposed interventions with the urgent adaptation needs is not fully evident in the proposal due to limited explanation. The project assumes that interventions such as strengthening bunds, repairing water tanks, and reviving canals will support resilient livelihoods. The project proposes to improve resilience of 240,000 people which is nearly 50% of total population of the Batticaloa district. It is not clear how such a large population will directly benefit from this project. As the mentioned livelihoods (agriculture, fisheries) depend on other factors also, without any complementary support from the project or without any co-financing towards making these livelihoods resilient, it is unclear how the adaptation objectives will be achieved. Moreover, there are concerns regarding the sustainability of the interventions which themselves face risk of getting damaged (bunds) or silted (canals) in the long term. There isn't any clear indication of

		how these interventions will continue to be financed after the project for maintenance and repairs to deliver adaptation objectives over a longer period of time. Finally, the project needs to strengthen its additionality argument to justify cost-effectiveness. It proposes to repair existing canal systems, bunds, water tanks, etc. It doesn't specify if they will be restored to become stronger and more resilient, will systematically use climate data, will consider location specific vulnerabilities and adopt a scientific and spatial planning approach for effective design and implementation. While such indigenous solutions could potentially be effective, without adding climate resilient features and other complementary climate adaptation solutions, the proposed solutions could potentially become ineffective in a few years as it is now. **CAR10**: Revise the Justification section in the proposal to address the above points and reconsider the project interventions to support lasting and direct adaptation benefits to vulnerable communities.
	13. Is the project / program aligned with AF's results framework?	**Not Cleared** The Results Framework alignment table contains several inconsistencies with the Adaptation Fund Strategic Results Framework. Specifically: • The proposal refers to **Output 5.1 and Indicator 5.1.1**, which do not exist in the AF SRF. The correct structure is **Outcome 5 → Output 5 → Indicator 5.1**. • The description of **Output 2.1** does not follow the official wording of the AF SRF. • Indicators listed under **Output 3.1** correspond to outcome indicators rather than output indicators. • Several project indicators appear to be **IE-generated indicators but are presented as AF indicators**. • Outcome indicators are not consistently linked to the activities and outputs described in the project components. **CAR11:** Please revise the Results Framework alignment table to ensure:

		• correct use of AF outcome, output and indicator numbering; • consistency between project components, outcomes, outputs and indicators; • clear distinction between project-generated indicators and AF SRF indicators; and • Each **AF outcome/output mapping must have a corresponding grant amount. The** totals must equal **component costs (excluding IE/EE fees)** **CAR12:** Ensure that each outcome indicator under result framework is consistent and directly linked to the activities and outputs described under the corresponding component. **Check this link for guidance**: Results Framework Alignment Table (Amended in November 2025)
	14. Has the sustainability of the project/programme outcomes been taken into account when designing the project? Does the project/programme support long-term development of local governance processes, and improve the capacity of local institutions to ensure that communities can effectively implement adaptation actions over the long term?	**Not cleared.** The proposal presents a generic description of sustainability across economic, social, environmental, and financial dimensions, and highlights alignment with national strategies and government systems. However, it remains unclear how the NBS interventions, local governance capacities, decision-making processes, and community-level adaptation arrangements supported by the project will be sustained beyond the project period, independent of future external financing. **CR17:** As mentioned previously, please clarify how the proposed NBS interventions will be durable and sustainable in the long term without due consideration given to improved design and additional adaptation solutions to tackle climate extremes. The proposal does not sufficiently describe how maintenance of infrastructure, ecosystem restoration outcomes, and nature-based solutions will be financed, managed, and monitored after the project is over. The proposal also says that “All infrastructure under this investment will be officially handed over to the respective Government entities based on their mandates”. Please clarify what it means and how it related to LLA.

		CR18: While there is significant focus on training and capacity building of local institutions and community groups, there is lack of specific information on how these groups will be systematically integrated in the project management and will continue to function in the long term within the governance processes in the region. The project is creating a PSC, but there is no description of who will be part of this committee and there is no specific reference of including local groups in the committee. This is fundamental to LLA principles. **CR19:** Kindly clarify how knowledge generated (training modules, risk assessments, planning tools, community monitoring systems) will be institutionalized, maintained, updated, and applied beyond the project period. **CR20:** Please integrate economic, social, environmental, institutional, and financial sustainability dimensions within the project component descriptions, with clear mechanisms rather than general descriptions; and **CR21:** Explain how the project will enable replication and scaling of adaptation actions in other districts or provinces using other funds, without relying on uncertain future financing.
	15. 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?	**Not cleared.** The proposal does not classify the project under Category A, B, or C of the Adaptation Fund Environmental and Social Policy. Several checklist items marked as *low risk* still require further assessment and management for compliance. These should therefore be removed from the column **"**No further assessment required for compliance." In many cases, the narrative provided for low or moderate risks describes intended actions rather than assessing the underlying risks. For example, under **Core Labour Rights**, the text highlights Sri Lanka's ratification of ILO conventions and UN-Habitat's internal safeguards, but does not identify or analyze potential project-specific labour risks. In several sections, the risk descriptions remain generic and lack context-specific detail. Mitigation measures are also limited or absent

		for some principles. The proposal should refer to the AF ESP Guidance Document to strengthen the risk assessment and provide clearer, evidence-based mitigation measures for each principle. The climate-risk assessment also requires reconsideration. It is currently tagged as *no risk*, despite the project area's high exposure to flooding, drought, and salinity intrusion. These hazards could significantly affect proposed interventions especially earthen bunds, Thonas and water tanks, which are potentially highly vulnerable to climate extremes identified in the project context. **CAR13:** Identify the risk category (A, B, or C) for the project in accordance with the Adaptation Fund Environmental and Social Policy. **CAR14:** Revisit the climate-risk classification to reflect vulnerability to climate hazards in the targeted region. **CAR15:** Revise the ESP checklist so that the "No further assessment required" column is selected only for principles where *no risk* is identified. **CAR16:** Please revise risk descriptions so they identify potential adverse impacts, not only planned actions or institutional safeguards. This clarification is requested at a level appropriate to concept note stage; detailed sub-project screening procedures may be further elaborated at full proposal stage. **CAR 17:** The proposal does not include the initial gender assessment required at concept note stage. Please provide an initial gender assessment using available data that includes qualitative and quantitative information on gender roles, responsibilities, access to and control over resources, and gender-specific vulnerabilities, identifies opportunities, barriers, and risks for women and men, and explains how these findings informed the design of activities to ensure equitable participation and benefits. Guidance document for Environment and Social Policy (English, French and Spanish) Guidance Document for Project/Programme with Unidentified Sub-Projects

Resource Availability	1. Is the requested project / programme funding within the size for LLA single country grants?	Yes.
	2. Is the Implementing Entity Management Fee at or below 8.5% per cent of the total project/programme budget before the fee?	**Yes.** The IE fee is at 8.5% of the total project amount.
	3. Are the Project/Programme Execution Costs at or below 9.5% per cent of the total project/programme budget (including the fee)?	No. The EE cost and total project cost is not consistent. **CAR18:** The three components' costs (USD 3,300,000 + USD 615,507 +USD 225,000). add to USD 4,140,570. With the proposed Project Execution Cost: USD 437,788, the total project cost adds to USD 4,578,358. However, the total project cost mentioned in the proposal is USD 4,608,295. Therefore, there is a difference of $29,937 in the calculations. Please revise the execution cost or the components cost accordingly. **Use the IE and EE fee calculator** - IE and EE Fees Calculator (EXCEL) **CAR19:** Use the following form for the **PFG application**: Request for Project Formulation Grant (PFG)
Eligibility of IE	1. Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?	**No**. UN-Habitat is under reaccreditation. Accreditation Expiration Date is 01 October 2025.

REQUEST FOR PROJECT/PROGRAMME FUNDING FROM THE ADAPTATION FUND

The annexed form should be completed and transmitted to the Adaptation Fund Board Secretariat by email or fax.

Please type in the responses using the template provided. The instructions attached to the form provide guidance to filling out the template.

Please note that a project/programme must be fully prepared (i.e., fully appraised for feasibility) when the request is submitted. The final project/programme document resulting from the appraisal process should be attached to this request for funding.

Complete documentation should be sent to the email: submissions@adaptation-fund.org

ADAPTATION FUND

LOCALLY-LED ADAPTATION PROJECT/PROGRAMME PROPOSAL FOR SINGLE COUNTRY

PART I: PROJECT/PROGRAMME INFORMATION

Title of Project/Programme: Batticaloa **C**limate Smart **A**daptation & **R**esilience through **E**cosystems (**B-CARE**)

Country: Sri Lanka

Thematic Focal Area: Climate resilience and early warning systems; water management

Type of Implementing Entity: Multilateral Implementing Entity

Implementing Entity: United Nations Human Settlement Programme: **(**UN-Habitat)

Executing Entities: Ministry of Environment
District Secretariat Batticaloa
Selected Local Authorities (MC &UCs)
Village Disaster Management Committees
Farmer organizations
UN-Habitat

Amount of Financing Requested: 5,000,000 (in U.S Dollars Equivalent)

Amount of Requested financing for PFG: 143,220 (in U.S Dollars Equivalent)

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

Stage of Submission:

☐ This proposal has been submitted before including at a different stage (pre-concept, concept, fully- developed proposal)
☒ This is the first submission ever of the proposal at any stage

In case of a resubmission, please indicate the last submission date: Click or tap to enter a date.

Please note that fully-developed proposal documents should not exceed 100 pages for the main document, and 100 pages for the annexes.

Project / Programme Background and Context:

1.1 Background and country context

Sri Lanka, an island nation with 65,610 km² is experiencing repetitive climate induced disasters because of changes in the frequency, intensity, spatial extent, duration and timing of weather and climate extremes with a high exposure of people and economic assets resulting in heavy economic losses. Sri Lanka has been identified as one of the most vulnerable countries in the world with an annual loss estimated at USD 3626 million attributable to climate change[1]. It is evidenced that since 2011, high-impact disasters have occurred regularly, on an annual basis affecting an average of over 1 million people per year[2]. The country is experiencing rapid increase in frequency of climate-related events. There were only 35 climate related disasters recorded from 2008 to 2014 and from 2015 to 2022 it has increased to 304 disaster events[3]. Out of Sri Lanka's population of 21.7 million (2024 national census) nearly 50% reside predominantly in the dry zone and coastal areas - these populations remain highly vulnerable to climate change. Key challenges include increasing flash floods and prolonged droughts, which disrupt livelihoods and the economy[4].

The recent impacts of Cyclone Ditwah which made landfall on 28 November 2025 saw unprecedent destruction in all 25 Districts, with 8 districts including Batticaloa reporting severe damages[5]. The total economic loss is estimated to be around USD 6 - 7 billion – this is more than the country's foreign reserves. Notably, the country had just begun to take tentative steps towards economic recovery, following cumulative shocks of ISIS terrorist attacks, shocks of the pandemic and followed by an economic crisis which has compounded the vulnerability. The nation-wide disaster. A Rapid Post Disaster Needs Assessment is underway and will fully define needs, losses and damages. In the meantime, the Government is recognizing that the rebuilding should not be limited to repairing what was damaged, but in the best principles of building back better, the need to recover its natural buffers, including wetlands, mangroves, and natural drainage, combined with urban planning and land use and management plans is imperative for disaster risk reduction.

Sri Lanka is affected by multiple forms of **flooding** such as riverine flooding, flash flooding, and coastal flooding. In addition to their direct impacts, flood events have known relationships with other hazards, including landslides and the spread of vector-borne diseases such as dengue, chikungunya and leptospirosis. These cascading and compounding risks disproportionately affect low-income and informally settled communities with limited access to resilient infrastructure, adequate basic services, early warning systems, and health services, significantly increasing their vulnerability to climate-induced flood events. The flood return period has been drastically changed and what would historically have been a 1-in-100-year flow, could become a 1-in-50-year or 1-in-25-year event in some cities.

As per the 2019 report of World Bank, average annual wellbeing losses due to fluvial flooding in Sri Lanka is estimated at US$119 million per year, more than double the asset losses of US$78 million[6]. These figures underscore the scale of climate-induced loss and damage, particularly non-

[1] Climate Risk Country Profile, 2021, The World Bank Group and the Asian Development Bank.
[2] Evidence of Climate Change Impacts in Sri Lanka, A review of Literature, 2024, Sri Lanka Journal of Economic Research.
[3] Country Profile: Sri Lanka, 2023, Internal Displacement Monitoring Centre..
[4] First Biennial Transparency Report of Sri Lanka submitted to to the United Nations Framework Convention on Climate Change (UNFCCC).2024, Climate Change Secretariat, Ministry of Environment
[5] Humanitarian Priority Plan – Cylone Ditwah 2025 https://srilanka.un.org/sites/default/files/2025-12/FINAL%20LKA_HumanitarianPrioritiesPlan_pub20251211.pdf
[6] Socioeconomic Resilience in Sri Lanka Natural Disaster Poverty and Wellbeing Impact Assessment, 2019, World Bank

economic losses such as impacts on human health, livelihoods, productivity, and long-term development outcomes, which are not fully captured by asset-based damage estimates alone and place a disproportionate burden on vulnerable populations.

The country faces an annual risk of experiencing extreme meteorological **droughts**, with a Standardized Precipitation Evaporation Index (SPEI) of less than –2, indicating a 4 percent likelihood each year[7]. Between 2016 and 2018, over LKR 18 billion was spent on crop losses, water supply and drought relief. From 2011 to 2021, droughts affected over 9.6 million people, with 2014 and 2017 being the worst years[8]. These recurring, seasonal drought impacts undermine agricultural livelihoods, strain urban and rural water supplies, and disproportionately affect vulnerable populations, highlighting the limitations of reactive drought relief and the need for targeted, integrated interventions to strengthen drought resilience.

1.2 The Programme, Project area and target groups

The programme aims to address climate-related vulnerabilities which are a threat to the livelihoods of communities in their diversity and eco systems by enhancing community resilience, including that of women and girls, to improve livelihoods and health by implementing nature-based solutions (NbS) to protect, sustainably manage, or restore natural ecosystems. By combining scientific approaches with indigenous and traditional knowledge, the programme empowers communities to co-design and co-lead interventions, strengthens local governance and decision-making, improves livelihoods and health outcomes, and creates opportunities for long-term policy alignment, replication, and scaling of climate adaptation initiatives.

The project is proposed to be implemented in the district of Batticaloa which has been facing successive climatic extreme events, which cause droughts in some years and floods in others. The pattern of rainfall and its variability and drought have a very significant negative impact on human lives and contributes to damage to the eco systems. The Multidimensional Vulnerability index[9] shows that the Batticaloa District has very high vulnerability to climate change events and 61.9 per cent of the population lack adaptive capacities to disasters. Uncertain monsoons and turbulent atmospheric conditions that frequently arise mostly in the Bay of Bengal have aggravated the exposure to a range of climate vulnerabilities leading to disaster-prone weather extremes in Batticaloa district being located in the eastern coast[10]. Furthermore, it is to be noted that communities in Batticaloa had been severely affected by the civil war which lasted over 30 years and recovery process has been badly slowed down by extreme climate events contributing to the instability of living conditions.

Batticaloa was one of the hardest hit districts by Cyclone Ditwah causing extensive damage to critical infrastructure including water systems, roads and bridges. As a result Batticaloa faced significant challenges in accessing emergency services and supplies. With the onset of the North-East monsoon which started on 4 December, the already saturated land has no absorption capacity. Batticaloa remains highly susceptible to recurring **floods** due to its low-lying topographical features, aggravated by poor land use practices (fig.1). The maximum one-day and

[7] Climate Risk Country Profile, 2021, The World Bank Group and the Asian Development Bank.

[8] First Biennial Transparency Report of Sri Lanka submitted to to the United Nations Framework Convention on Climate Change (UNFCCC).2024, Climate Change Secretariat, Ministry of Environment

[9] Understanding Multidimensional Vulnerabilities: Impact on People of Sri Lanka,2023, United Nations Development Programme Sri Lanka. https://www.undp.org/srilanka/publications/understanding-multidimensional-vulnerabilities-district-profiles

[10] Third National Communication of Climate Change in Sri Lanka, 2022, Climate Change Secretariat, Ministry of Environment, Sri Lanka

five-day precipitations from 2010-2015 recorded an increase of 60% compared to the 30 years average) in Batticaloa which shows an increasing trend. Batticaloa district is one of the largest rice production areas of the country experienced rice production losses in 2010–2011, 2012–2013, and 2014-2015 seasons amounted to 75.8%, 5.3%, and 16.6%, respectively. Conversely, the 2016–2017 season witnessed low rainfall, leading to a 41.3% loss due to drought conditions. These climate impacts on agriculture severely contribute to livelihood vulnerability of the majority of the population. Analysis of data and information from 2015 to 2025 of Batticaloa related to flood disasters shows a drastic increase in people who are affected. Table 1 shows the increasing trend of climate related flood impact on the daily lives of people.

Table 1: Disaster Statistics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025	2025**
People displaced	42431	3318	16136	21331	11281	15545	*	*	35558	5416	41,346
Houses damaged		6	90	104	10	20	*	*	192	24	843

Source: Disaster Management Center

*lower rainfall and increased drought conditions

** Source Disaster Management Centre Situation Report as at 17.12.2025

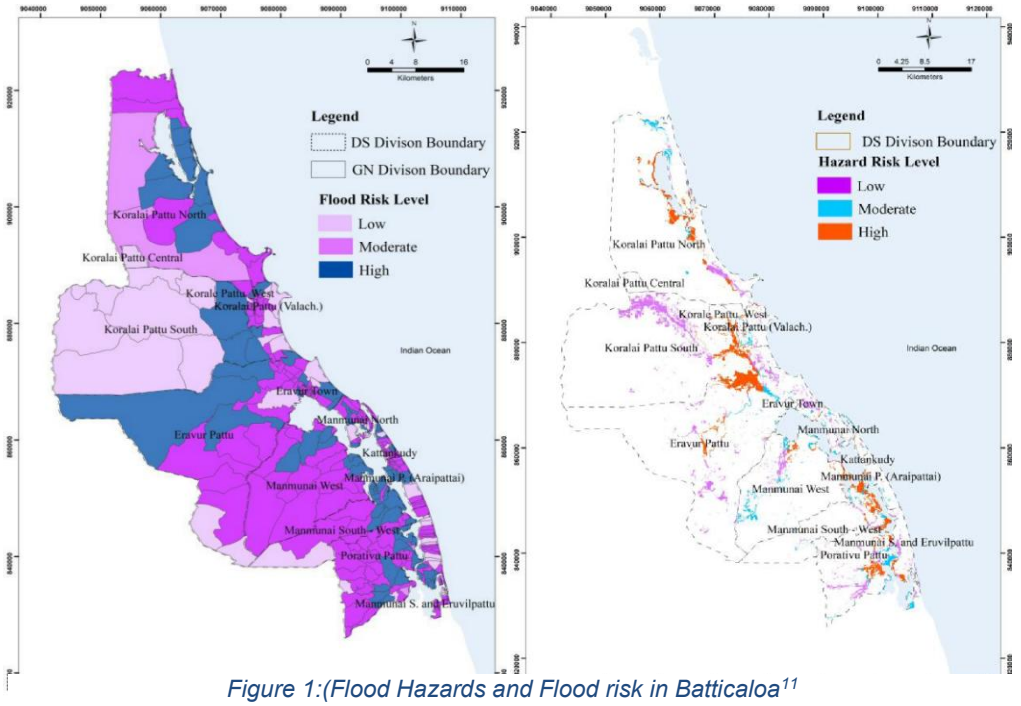


Figure 1:(Flood Hazards and Flood risk in Batticaloa[11]

Recent research[11] shows an upward trend in both the severity and frequency of extreme precipitation (fig.2). Moreover, the pattern of precipitation shows increased irregularity.

[11] Assessing the Impact of Past Flood on Rice Production in Batticaloa District, Sri Lanka" by Suthakaran Sundaralingam and Kenichi Matsui (2025).The map used Google Earth Engine and Global Surface Water (GSW) datasets. Flood extent is mapped using Sentinel-1 SAR and DEM data.

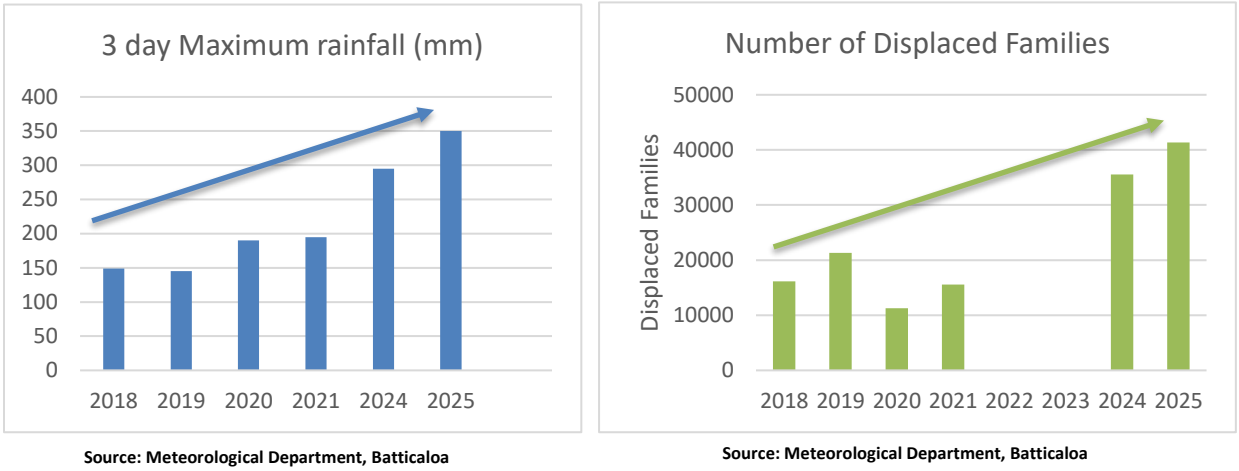


Figure 2: Pattern and Impact of extreme precipitation in Batticaloa. Source: Regional Meteorological Office, Meteorological Department, Batticaloa

Batticaloa also stands out as one of Sri Lanka's most **drought** vulnerable districts and prioritizing it for intervention is both evidence-based and strategically critical[12]. In Batticaloa district, ten (10) out of fourteen (14) Divisional secretariat areas are prone to drought. Every year, around 32,000 families (or 100,000 individuals) are likely to be affected by drought or dry weather conditions in Batticaloa district[13]. As a result, thousands of families face recurring hardships, including water shortages, reduced agricultural productivity, disrupted livelihoods, and heightened food insecurity each year.

Despite some existing initiatives, Batticaloa remains underserved in terms of targeted climate adaptation and resilience investments, creating a critical opportunity for the project to fill gaps and deliver scalable, community-led solutions particularly targeting disproportionately affected c=vulnerable groups such as female-headed households, elderly and the disabled. The district also presents an enabling environment for intervention, with local authorities committed to driving transformative adaptation, supported by strong climate policy frameworks, and communities motivated to participate, creating favourable conditions for effective and sustainable implementation.

[12] National Drought Plan for Sri Lanka, 2020, Ministry of Environment, Sri Lanka
[13] Drought and Forest Fire Contingency Plan, 2021, Disaster Management Center, Sri Lanka.

As per the National Disaster Relief Services Centre, 10,237 families were affected by droughts in the Batticaloa District in 2023. Batticaloa is recorded as the third highest drought affected district in the country. Batticaloa District Development Plan 2024-2028 identifies as a priority intervention the need to "reduce inundation and drought" and aims to contribute to the SDG 02 targets[14].

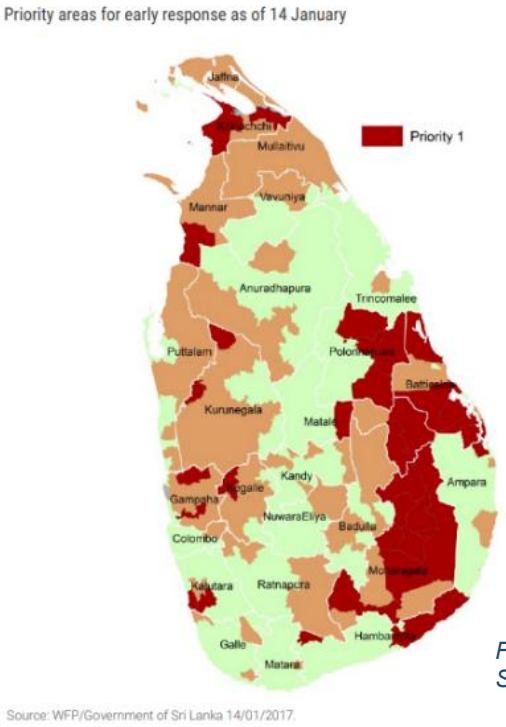


Figure 3: Priority areas for Early Response. Source: Government of Sri Lanka.

1.3 Gender Vulnerability

52.04% of the population of Batticaloa District in 2024 are women[15], while 71.3% live in rural settlements. Moreover, the district records the highest number of female headed households[16], a lasting impact of the civil war[17]. During extreme climate events, women are one of the most vulnerable segments of society to be impacted[18].

As the female labour force participation rate is low (28.7%) in Batticaloa District[19], most women carry out unpaid domestic work within their homes, especially in the rural areas. During stakeholder consultations, women stated that they are excluded from disaster management, and that early warning messages are received by men who are often away from home on work. Therefore, there is a delay in receiving early warning alerts resulting in insufficient time for women to prepare for evacuation leaving them at further risk of death and injury.

Women face unique challenges due to their primary role as caretakers of the households. When disasters occur, women face an extra burden to care for the family. In most households, women fetch water from the well or tanks, particularly when pipe borne water services are not available. During the drought period, the water shortage in many areas (even for shorter dry periods) is a common phenomenon[20] with people having to rely on emergency water distribution. Therefore,

[14] District Development Plan 2024-2028, District Secretariat, Batticaloa, Sri Lanka.
[15] District Population 2024, Department of Census, Sri Lanka
[16] FemaleHeadedHouseholdsBySector,ProvinceAndDistrict2016.pdf (2019)
[17] FemaleHeadedHouseholdsBySector,ProvinceAndDistrict2016.pdf (2019)
[18] https://www.iwmi.org/blogs/climate-change-and-a-national-economic-crisis-are-overworking-rural-women/
[19] LFS2023.pdf
[20] Climate Vulnerability Risk Assessment in Eastern Province and Guidance for Capacity Development of Local Governments on Assessing Climate Change Vulnerability, 2023, UNDP Sri Lanka.

women and girls are compelled to fetch water by travelling long distances, even at night, exposing themselves to further climate hazards or other sources of insecurity, and also spending time away from economically or educationally productive and/or care-giving activities. This vulnerability is even more acute among indigenous women, such as those in the Muruthanai GN Division, where the Pontukal Senai causeway contributes to severe and recurrent flooding. Over 10,500 acres of paddy land are regularly inundated, and approximately 550 families - many from indigenous backgrounds - are forced to relocate to evacuation centers for up to 30 days during each flood.

Batticaloa District has recorded 16.2% population below the official poverty line which is comparatively high in the country[21]. Approximately 30% of the households are engaged in agricultural activities as their main source of income in Batticaloa[22] and over 45.5% of the district's land is used for agricultural activities[23]. Increased poverty among agricultural rural settlements of Batticaloa severely impact women as they are compelled to device coping mechanisms to meet the household's basic needs, including food[24].

Addressing gender inequalities and actively engaging women in disaster preparedness and climate adaptation is essential to reduce their vulnerability and strengthen the resilience of households and communities in Batticaloa. By enabling women to co-lead planning and implementation, access resources, and make decisions, the project will transform how communities prepare for and respond to climate risks, ensuring locally owned and sustainable solutions

Project / Programme Objectives:

The overall programme goal is to increase adaptive capacity of vulnerable communities in Batticaloa District to respond to the impacts of climate change through locally led, community-driven nature-based solutions (NbS)) for protection and restoration of ecosystem services negatively affected by both droughts and floods to maintain livelihoods successively. The project will achieve this through two programme specific outcomes:

- Enhanced community resilience reduced human and ecosystem health and economic vulnerability to climate change impacts through community-driven NbS interventions.
- Increased social resilience and strengthen adaptive capacity of local government institutions and community organizations through co-designed governance and monitoring frameworks that embed local decision-making authority.

The project has three outputs benefiting over 240,000 people in the Batticaloa District

- Locally led adaptation projects identified, designed and implemented, and maintained by communities in partnership with local authorities, integrating indigenous knowledge, local practices, and gender-responsive approaches.
- Capacity for adaptation increased at subnational level through community-government collaboration and contributed to achieving NDC commitments and District Development Plans, with locally generated climate and risk information informing decision-making.

[21] Household Income and Expenditure Survey, 2019, Department of Statistics, Sri Lanka.
[22] Labour Force Survey Annual Bulletin-2021, Department of Census and Statistics, Sri Lanka
[23] Statistical Information – 2021, Ministry of Agriculture, Eastern Provincial Council, Sri Lanka
[24] There is no day that we don't have work or worry … We have to do the housework, and when there is no more money, we (the women) only have to think about what to do … It is not their worry (for the men) … Only we go into the kitchen so only we know what is there or not there … We need to find a way to manage right?
FGD participant in Batticaloa
https://www.iwmi.org/blogs/climate-change-and-a-national-economic-crisis-are-overworking-rural-women/

- Sub-national institutions and community-based organizations empowered to independently plan, finance, implement, and monitor adaptive interventions, supported by strengthened technical capacity, accountability mechanisms, and community-driven monitoring systems

Project / Programme Components and Financing[25]:

Table 2 Project Components and Financing

Project/Programme Components	Expected Outcomes	Expected Concrete Outputs	Amount (US$)
Component 1: Restoration of Ecosystem services	Enhanced community resilience, reduced human and ecosystem health and economic vulnerability through community-led NbS interventions.	Locally led adaptation projects identified, prioritized, designed, implemented, and maintained in Batticaloa District, integrating indigenous knowledge and gender-responsive approaches. a) Conduct community-informed hydrological studies and surveys of naturally occurring "Thona" drainage networks—covering stormwater connectivity, links to lagoons and the ocean, and associated wetlands—to support locally led flood risk reduction and urban water management b) Rehabilitation of 30 Thona drainage	**3,300,000**

[25] IE and EE fees calculator: https://www.adaptation-fund.org/document/ie-and-ee-fees-calculator/

		canals co-managed by communities c) Improvement of 3km priority stormwater drainage systems co-managed by local committees and local authorities, ensuring long-term maintenance and ownership d) Repair and restoration of 10km saltwater intrusion prevention earth bund implemented with farmer organizations to reduce effects of rising lagoon water levels e) Rehabilitation of 10 small and medium irrigation tanks implemented with famer organizations to restore ecosystem services to reduce flooding and improve water retention and storage f) Creation of riparian green buffer along Thonas with participation of women and youth group enhancing ecosystem health and bank stabilization at 4 locations	

Component 2: Reduced Exposure to Flood Hazards and building technical resources	Improved adaptive response capacity of communities and local government through data-driven interventions.	Capacity for adaptation increased at the subnational level and contributed to achieve NDC commitments. a) Integrate existing weather forecast systems with community-supported installation of automatic rain gauges and staff gauges across the lagoon and key river basins. b) Develop numerical modelling framework for river-lagoon flood forecasting and monitoring, integrating community observations and historical local knowledge. c) Design database with live dashboard, accessible to government and community representatives. d) Establish inter-agency coordination platform for flood and drought management integrating community organizations e) Improve culverts and bridges through community-identified prioritization and co-managed upgrading to enhance flood	**615,507**

		conveyance, connectivity, and climate resilience of local transport and drainage systems at 5 locations.	
Component 3: Capacity Building of government and community to respond to flood and drought hazards	Communities and sub-national institutions are empowered to plan, implement, and monitor adaptation activities	Communities and sub-national institutions are empowered to independently plan, implement, and monitor adaptation activities. a) 15nos Training of local authorities, VDMCs, farmer organizations, women, youth, and indigenous groups on NbS planning, implementation, and monitoring. b) Strengthening local government's capacity to identify urban planning gaps, regulatory issues, and integrate climate resilience into development plans (MC+2 UC) c) Strengthen capacities of local government to develop and enforce land use management plans related to “Thona” networks (MC +2UCs) d) Support local governments to maintain Thona networks through community-	**225,000**

		government co-management arrangements. e) Review existing policies related to settlement planning processes and identify policy and regulatory gaps and prepare and disseminate knowledge products in promoting climate resilience (MC+2 UCs) f) Establish/ revitalize VDMCs and 30 women-led disaster response and early warning groups	
6. Project/Programme Execution cost			**437,788**
7. Total Project/Programme Cost			**4,608,295**
8. Project/Programme Cycle Management Fee charged by the Implementing Entity (if applicable)			**391,705**
Amount of Financing Requested			**5,000,000**

Projected Calendar:

Table 3 Tentative Project Calendar

Milestones	Expected Dates
Start of Project/Programme Implementation	01.01.2027
Project/Programme Closing	31.12.2029
Project Completion Report (within six (6) months project completion)	30.06.2030
Terminal Evaluation (within nine (9) months after project completion	30.09.2030

PART II: PROJECT / PROGRAMME JUSTIFICATION

A. Project / Programme Components

The proposed project titled "**B**atticaloa **C**limate Smart **A**daptation and **R**esilience through **E**cosystems (**B-CARE**) includes initiatives for increasing climate resilience in Batticaloa District in Sri Lanka, by **empowering communities to co-lead nature-based solutions (NbS)** that intends to promote and sustain systemic community resilience to improve livelihoods and health, and support the protection sustainable management, and restoration of natural ecosystems in one of the country's most climate vulnerable districts, Batticaloa.

The project consists of three operational components, including two technical elements (concrete interventions) and a component focused on institutional and community strengthening, and knowledge management. The synergy between these components occurs from the combination of two main objectives that will guide project implementation: first, enhance community resilience, reduce human and ecosystem health and economic vulnerability to climate change impacts and extreme weather events by implementing NbS to reduce the impact of floods and storm water runoff and manage droughts and second, increase social resilience including of women and Indigenous Peoples, and build institutional capacity of local government institutions and community organizations. UN-Habitat will support the authorities to ensure that gender, disability and social inclusion of communities in all their diversity to be mainstreamed in project activities and include SMEs and other livelihood groups, ethnic minorities including indigenous communities and other vulnerable/ marginalized groups within impact areas. In addition, the project recognizes the vital importance of knowledge building with a special focus on the inclusion of women, to ensure the sustainability and scalability of the project and contribute to policy initiatives at the national level.

The project will promote the inclusion of the most vulnerable populations (particularly women, children, elderly, disabled, conflict affected communities and indigenous communities) and address new and innovative nature-based solutions and practices that take into account traditional and indigenous knowledge, making the proposed solutions more efficient and environmentally sustainable. All beneficiaries will be supported by Technical Assistance teams throughout the project implementation, including restoration of eco systems (Component 1) and reducing exposure to flood hazard and improving technical resources (Component 2).

1. Component 1

The **first component** will be focused on Restoration of Eco-system services with the expected outcome of damaged and degraded ecosystem services of a) Community-Informed Hydrological Studies and Rehabilitation of Thona drainage networks to improve drainage and reduce flood risks and b) small and medium irrigation tanks to minimize flood and drought c) saltwater intrusion bund to reduce flooding and saltwater intrusion risks on coastal and inland cities and settlements. This component is the largest investment on concrete interventions expecting to:

1.1 Conduct participatory surveys of Thona networks, covering stormwater connectivity, links to lagoons and the ocean, and associated wetlands, to guide locally led flood risk reduction and urban water management. Participatory hydrological studies will be conducted in collaboration

with local communities to map and assess Thona drainage networks. This includes documenting stormwater connectivity, links to lagoons, rivers, and wetlands, and identifying degraded sections that contribute to flooding. Community knowledge on historical flood patterns, traditional management practices, and ecosystem services will be integrated to prioritize Thonas for restoration

1.2 Restore naturally occurring drainage canal networks (Thonas) to retain runoff water during increased rainfalls.

Naturally occurring drainage canal networks traditionally known as “Thonas” played a vital role in regulating the flood water flow in coastal cities and settlements of the district, diverting the water from residential areas and thereby reducing flood levels and the duration of flooding. Although over 50 nos. of Thonas were historically functional in the district, most have been degraded due to lack of maintenance, presence of invasive plants (water hyacinth), rapid and unplanned development, thereby reducing their effectiveness as a naturally occurring flood control mechanism. As a result, floodwater takes longer to recede from the settlements, worsening damage and increasing reliance on costly post-flood recovery efforts. These Thonas supported a rich eco-system including mangroves and a wide range of aquatic species including fish and prawns which supported local livelihoods. Thonas provide a lifeline to local wildlife during the drought period and were culturally significant, before degradation (related to key religious festivals)[26].

As part of the restoration effort, communities will actively participate in the rehabilitation, management, and monitoring of Thonas. Local residents will contribute traditional knowledge of historical flood patterns, help identify degraded sections, and co-manage the restored canals. This participatory approach will ensure sustainable maintenance, strengthen flood resilience, and preserve the ecosystem and livelihood benefits provided by the Thonas.

Figure 3 provides the existing Thona system in the Batticaloa District and Figure 4 shows the current conditions of a degraded Thona in one of the projects identified areas.

Figure 4: Thona system in Vaharai

[26] Community consultation during the initial field visit to Batticaloa by UN Habitat (17th June 2025 to 19th June 2025)

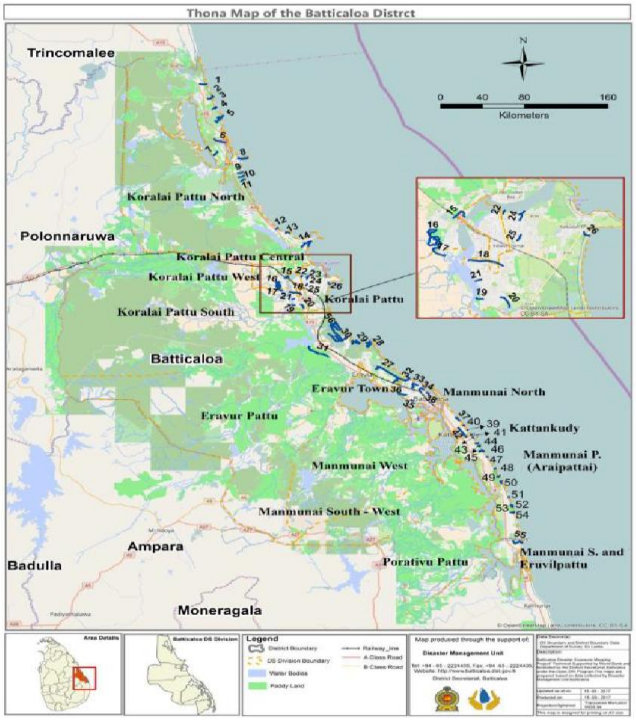


Figure 5: Thona drainage system map

Table 4 Field Visits

 *Figure 6: UN Habitat Filed visit 2025/06/18)*	Identified sub-projects during the field assessments by UN-Habitat technical team with local stakeholders

 *Figure 7: Thona in Thiraimadu (Data source: UN Habitat Filed visit 2025/06/18)*	Identified sub-projects during the field assessments by UN-Habitat technical team with local stakeholders

1.3 Construction of a saltwater intrusion prevention earth bund to reduce effects of rising lagoon

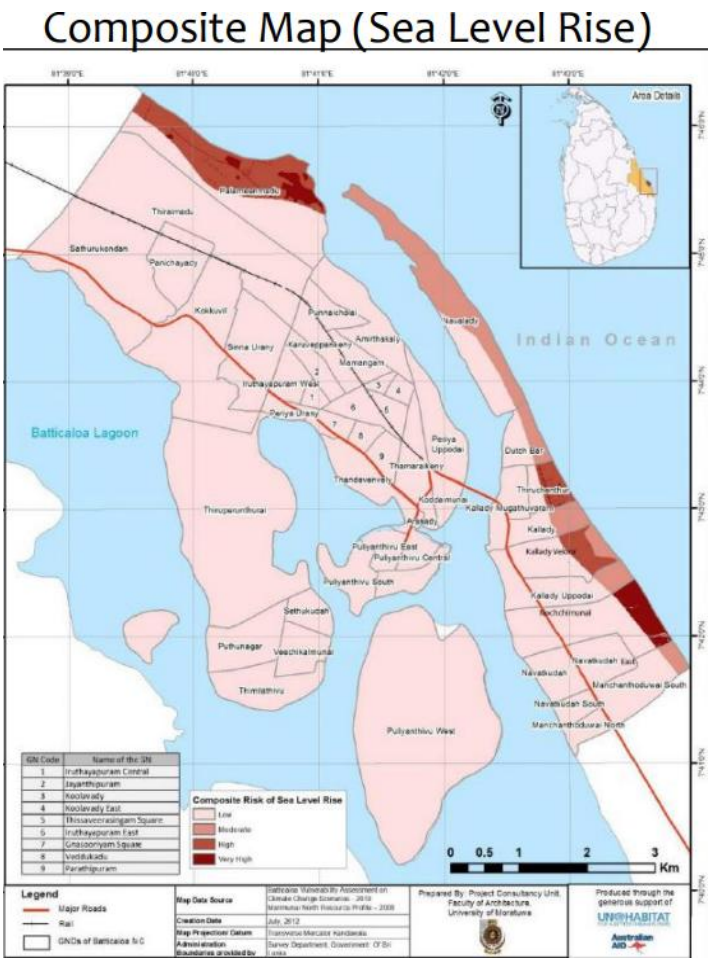


Figure 8: Composite Map- Sea Level Rise

water levels and damaging agricultural crops.

The proposed repairs and restoration of a saltwater intrusion prevention earth bund to reduce effects of rising lagoon water levels has been identified through extensive consultations with technical government agencies such as the Coast Conservation and Resource Management Department, Batticaloa District Government Agent, Irrigation Department and also communities. These stakeholders confirmed the proposed activities are in line with national plans and priority actions. The scope of this intervention includes repairs and restoration of a 10 km saltwater intrusion prevention bund including drainage structures bordering the Batticaloa lagoon Kaluthavalai, Paluhamam, Mahaloor, Kumalamunai, and Thuraineevanai GN Divisions to reduce impact of rising lagoon water levels.

Local farmers will actively participate in planning, monitoring, and maintaining the bund. Their knowledge of historical flooding patterns and lagoon behavior will guide the prioritization of critical sections for restoration.

This intervention will benefit over 1,500 acres of agricultural land. The detailed design for repairs and restoration of the saltwater intrusion prevention earth bund will be prepared during the full proposal stage.

1.4 The Project also identified during vulnerability assessment and stakeholder consultations, rehabilitation of 10 small and medium irrigation tanks to restore ecosystem services to reduce flooding and improve water retention and storage as a priority action to enhance community resilience. Rehabilitation of identified small and medium tanks will have multiple benefits within the context of climate adaptation. This will increase the water retention capacity and reduce flood intensity during periods of high precipitation. Similarly, during droughts, the restored tanks will function as a water source for both domestic use as well as agricultural and other livelihood activities and support ground water recharging.

Local famers will actively participate in the rehabilitation process, contributing local knowledge of historical water management practices, assisting in the maintenance of the tanks, and co-managing the restored infrastructure. This participatory approach ensures sustainable operation, strengthens local ownership, and maximizes the resilience and livelihood benefits of the interventions

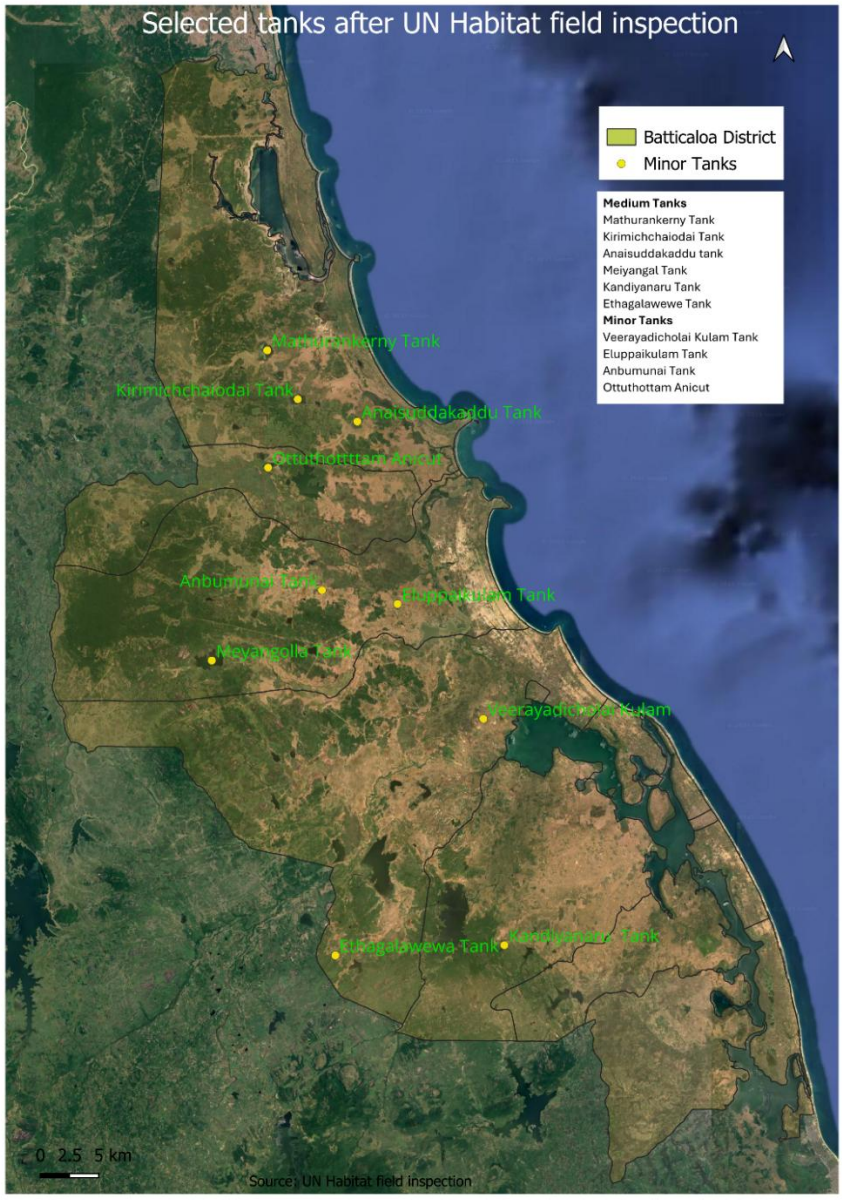


Figure 9: List of Tanks and Details

1.5 Creating a green buffer (riparian buffer) canopy along Thonas is identified for stabilizing the soil, removing nutrients from both surface and sub-surface water flow, slowing rainwater runoff velocity, and trapping sediments. In the community consultations the risk of possible sedimentation and pollution of selected Thonas were identified. Green buffer canopy will be created with strong community participation to create green corridors along Thonas in selected locations where space is available. The species for green canopy will be selected in consultation with the provincial Agriculture Department and Forest Department during full proposal development stage to ensure no invasive and/dangerous species are introduced. Figure 9 provides the conceptual design. Detailed actual designs for each green buffer will be carried out at the full proposal development stage.

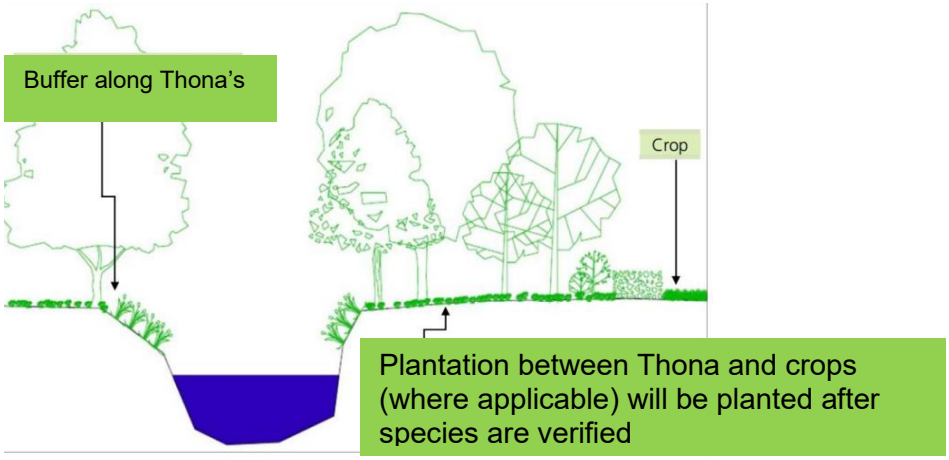


Image 1: Conceptual design

2. Component 2

Component 2 will focus on reducing exposure to flood and drought-induced hazards and improving technical resources of local government agencies and communities to respond to flood and drought-induced hazards. This component is the second largest investment on concrete interventions and will focus on:

2.1 Integration of existing weather forecast systems with community-supported rain and staff gauge networks. Identified through consultations with communities and local authorities, automatic rain gauges will be installed across the lagoon and key river basins. Communities will actively participate in co-managing the gauges, including installation, routine monitoring, data recording, and basic maintenance. The collected data will feed into national systems such as the Department of Meteorology, supporting community-informed disaster preparedness, water management, and climate adaptation decisions.

2.2. Development of a numerical modeling framework for river-lagoon flood forecasting. It is well noted during consultations particularly with decision making authorities at local government level, that data and information is currently not adequate and timely for climate predictions including forecasting of floods or droughts. Developing an efficient numerical modeling and potential forecasting of flash floods in future will support communities to be well prepared and adapt to climatic conditions well in advance of the event, and will support shifting/modifying agricultural practices which will reduce losses, post disaster relief cost and adopt alternative livelihoods for

economic sustainability. Residents will contribute local observations, validate model outputs, and assist in disseminating forecasts to ensure relevance and usability at the local level.

2.3. Designing a database with a real-time dashboard and a Decision Support System (DSS) to integrate climate data into governance frameworks which is crucial for effective decision-making and policy formulation in the face of a changing climate. This integration allows policymakers and stakeholders both at national and local level to have a comprehensive understanding of current and future climate trends and, vulnerabilities. More importantly, risk data is useful for local government agencies and provincial departments which are taking decisions on catchment management, water level controls in upstream tanks, and release of water for agricultural activities uninterruptedly.

2.4 Improve culverts and bridges through community-identified prioritization and co-managed upgrading to enhance flood conveyance, connectivity, and climate resilience of local transport and drainage

Figure 10: UN Habitat Field visit at Kiran and Pondukhal Senai to assess the proposed evacuation route and elevated bridge development

3. Component 3

Component 3 will focus on capacity building of government and community organizations to respond to climate hazards.This component is supplementary to Components1 and 2 for ensuring the sustainability of the interventions and value for money of the investments. Activities under this component will support Outcome 2 and are listed as follows:

3.1 Training of local authorities, VDMCs, farmer organizations, women, youth, and indigenous groups on NbS planning, implementation, and monitoring. Training covers NbS planning, practical implementation techniques, and monitoring to ensure adaptive management. Emphasis is placed on **co-management**, enabling communities to actively participate alongside government agencies in decision-making, operation, and maintenance of interventions. Gender-inclusive and participatory approaches ensure broad engagement. The training strengthens technical skills, fosters local ownership, and enhances the sustainability and effectiveness of ecosystem restoration, flood control, and water management interventions under Components 1 and 2.

3.1. Strengthening local governments' capacity to identify urban planning gaps, regulatory issues,

and integrate climate resilience in a gender-responsive manner is important to mainstream project interventions for sustainability and scalability. Without adequate legal and regulatory frameworks in place, it is difficult to build synergy among climate resilience investments beyond this project which is very important for achieving climate adaptation goals not only at district level but also at national level. Application of tools and process of UN-Habitat such as Urban Planning Law for Climate Smart Cities, Planning Law Assessment Framework will meet the global standards of the processes applied in the project.

3.2 Strengthen the capacities of local government and communities to develop and enforce land use management plans related to Thona networks. It is proposed to prepare land use plans and development plans incorporating DRR including maintenance and enhancement of the Thona networks through nature-based solutions by providing support to the selected Municipal Council/Urban Councils and Local Authorities (LAs), and District Officers (DOs). LAs and communities will co-manage the process, including surveying and demarcating Thonas, marking boundaries, and piloting local land use plans that integrate Thona networks. Moreover, the LAs will be supported to pass localized regulation (by-laws/ resolutions) to legally protect Thonas from encroachment. UN-Habitat field tested tools such as The Enabling Meaningful Public Participation in Spatial Planning toolkit, HLP Urban Law Tool for Conflict Prevention could be used to enhance capacities and improve skills of the staff in local government bodies.

3.3. Review existing policies related to settlement planning processes and identify policy and regulatory gaps and prepare and disseminate knowledge products in promoting climate resilience city planning and incorporate climate resilience into settlement planning as mandatory component. Throughout the project it is expected to capture processes, conduct knowledge management (KM) activities, and dissemination of lessons learned. KM products envisaged include case studies and policy briefs with recommendations, among others.

3.4. Establish/revitalize Village Disaster Management Committees and 30 women-led early warning groups. Building community disaster management and response capacities are crucial to build resilience, increasing survival rates and reduce injuries as communities are first responders during disasters. Considering the unique cultural context and its implications on women as outlined in the context analysis, building capacities of women led organizations including SHGs in disaster response is critical for timely and orderly evacuations, particularly during floods. Village Disaster Management Committees (VDMCs) are mandated to be established at GN level in the Disaster Management Act of 2005. Building capacities of existing VDMCs and establishing VDMCs in other locations including training programmes and provision of critical lifesaving equipment will ensure adequate capacity to prevent loss of life and injuries due to timely response to disasters.

B. Economic, Social and Environmental Benefits

Over the years, severe and devastating flooding incidents in 2010-2011, 2014-2015, 2018, 2022, and 2024-2025 have caused loss of life, displacement, destruction of basic infrastructure including roads and water supply facilities, affected agricultural production, and negatively impacted other livelihoods and commercial activities. The estimated total economic losses during 2024-2025 flooding in Batticaloa were approximately USD 11 million[27]. Improving adaptive capacities and increasing resilience through this project will result in significant reduction of economic losses at

[27] Flood Disaster Losses in Batticaloa District 2015 to 2025, 2025, Disaster Management Center Batticaloa, Sri Lanka

national, local and community level. Moreover, restoration of Thonas, small and medium tanks will contribute to the strengthening of alternative livelihoods such as inland fishing and seasonal crops will result in diversified income and increased production increasing economic benefits to local communities particularly women and children during and after extreme climate events.

The impact of these nature-based solutions is multifunctional, being advantageous at many levels such as socio-economic, financial, public health and biodiversity in terms of cost benefit ratios. Interventions incur the least internal (direct implementation and construction) and external (environmental and social) costs, as they are primarily focused on restoring and improving existing eco-system services and natural assets through nature-based solutions.

Financial benefits are envisaged as the alternatives include construction of pumping stations and concrete drainage channels, which are less cost-effective due to higher internal and external costs and will result in a higher emission footprint.

Environmental benefits resulting from the restoration and rehabilitation of Thonas and connected wetlands which support a rich eco-system including mangroves and a wide range of aquatic species including fish and prawns, and wildlife, and small and medium irrigation systems include restoration of eco systems enhancing biodiversity (flora and fauna habitats) and ground water recharging. These will be beneficial particularly to agricultural communities during drought periods. Co-benefits include carbon sequestration through community forestry and mangrove restoration and nature-based infrastructure solutions resulting from the project. Moreover, community forestry and restoration of water bodies will reduce heat island effects particularly in urban built up areas.

Socio-economic benefits include strengthened capacities of local institutions, Community based organizations including women led organizations and women's self-help groups to actively contribute to improve adaptive capacities and build resilience of vulnerable communities. Improved health among communities due to the reduction of waterborne diseases, respiratory illnesses can also be anticipated. Sri Lanka spends around USD19 million per year directly on health-care costs associated with floods and droughts[28]. Reduction of agricultural losses due to climatic disasters will contribute to increasing economic capacity which could provide opportunities for alternative livelihood ventures including mangrove-based fisheries, will enhance the resilience capacities of vulnerable communities.

C. Cost-effectiveness

Cost-effectiveness rationale for the specific interventions identified is summarized in Table 4 below. In summary, the proposed project demonstrates cost-effectiveness through its integrated components, utilization of low-cost small infrastructure, smart technology, community based/participatory approach and incorporation of nature-based solutions. Furthermore, the complete project design process at full proposal stage will involve conducting a thorough cost-benefit analysis of all components and activities, together with an analysis of alternative solutions for ensuring cost efficiency. This examination will assess the financial implications of each component, considering factors such as implementation costs, maintenance requirements, and long-term sustainability.

[28] The Cost of Being Under the Weather: Droughts, Floods, and Health-Care Costs in Sri Lanka, 2019, Asian Development Review.

Table 5 Project Cost-Effectiveness

Proposed Action	Cost Effectiveness Criteria	Alternative Action	Why Less Cost-Effective
1.Rehabilitation and restoration of Thona canals & improved stormwater drainage connectivity	**Future cost of climate change:** Reduces community flooding, enhances eco-systems and protects infrastructure **Project efficiency:** Uses existing canal networks and requires minimal, less complex engineering solutions **Community involvement:** Implemented by local governments & communities **Cost/Feasibility:** Low-cost, high benefit including - potential revenue generation from ecosystem services. **Safeguards:** Preserves ecosystems and biodiversity	Lining canals with concrete Contractor-driven model	- High capital and maintenance costs - Environmentally invasive and energy-intensive - Disrupts ecological flow - Poor sustainability due to limited community involvement
2.Repair and restoration of 10 km saltwater intrusion earth bund with drainage system	**Future cost of climate change:** Protects over 1,500 acres of farmlands **Project efficiency:** simple, cost-effective nature-based control structure with high returns **Community involvement:** Local labor-based **Cost/Feasibility:** Affordable and maintainable with less cost for the long run. **Safeguards:** Minimal disruption to lagoon ecosystems	Concrete seawalls External contractor-led	-Reduces local stakeholder engagement - High cost, intensive maintenance and lower sustainability - Alters natural sediment flow and risks ecological harm - Less adaptive and harder to repair locally
3. Rehabilitation of 10 small and	**Future cost of climate change:** Enhances	New medium/large	- Limited community ownership

medium irrigation tanks	drought/flood resilience **Project efficiency:** Improves existing assets **Community involvement:** Local O&M responsibility **Cost/Feasibility:** Low-cost upgrades, speedy implementation **Safeguards:** Avoids resettlement or land acquisition	tanks External contractor-led	- No capacity-building - High land acquisition cost - Long approval process for construction - Risk of displacement and loss of livelihoods
4. Improve culverts and bridges to enhance flood conveyance, connectivity, and climate resilience of local transport and drainage systems	**Future cost of climate change:** Reduces economic losses (affects 14 GN divisions, and 49,000 acres of paddy), and facilitates access to resources/services **Project efficiency:** Ready-to-implement designs **Community involvement:** Prioritized by farming and other affected communities and relevant stakeholders. **Cost/Feasibility:** Local-level intervention, quick to implement **Safeguards:** Avoids large-scale environmental/social disruption	Linking and augmenting upstream major irrigation tanks for flood mitigation	- Technically complex and delayed impact - High cost - Community resettlement risks - Upstream ecological disruption - Long timeline
Installation of flood sensors, gauges, and Decision Support System	**Future cost of climate change:** Enables real-time response, saves lives **Project efficiency:** Scalable and automated system **Community involvement:** Linked with DMC and local councils **Cost/Feasibility:** Affordable digital infrastructure	Manual gauge reading	- Delayed and inconsistent - Prone to errors, less timely alerts -High risks exist in flood monitoring and forecasting.

	Safeguards: Minimal impact, no physical footprint		

D. Consistence with National, Sub-national and Local Sustainable Development Strategies

The project is aligned with the priority water resources, ecosystem and biodiversity, and human settlements sector objectives of Sri Lanka's last National Adaptation Plan [29](NAP 2016–2025), builds on its climate resilience priorities as the country transitions to a follow-on adaptation framework, and will be designed to align with the forthcoming 2025–2034 NAP[30] and the recently launched National Climate Finance Strategy of Sri Lanka (2025–2030)[31] to support effective financing and implementation of climate adaptation at scale. Furthermore, it also aligns with the NDC adaptation sector targets (2021) agriculture (NDC target 5 and 6), fisheries (NDC target 2), water sector (NDC target 5 and 7), biodiversity (NDC target 5)and human settlements sectors (NDC Target 1,2,3,and 4) [32].

The project interventions also align with GoSL's flagship "Clean Sri Lanka" Programme (Environment pillar) [33]through environmental restoration and improvement of natural assets, eco system services and biodiversity through rehabilitation of the Thona network and connected wetlands and small and medium irrigation tanks. The Project also aligns with the Batticaloa Five Year District Development Plan (2024 – 2028).

The project will be guided by UN-Habitat's Gender Policy and Plan 2020-2025 and Environment and Social Safety standards which align with the relevant Adaptation Fund Environmental and Social Policy (ESP) and results framework. standards. Implementation will be aligned with the laws, regulations and standards of Sri Lanka including Environmental and Construction standards and internationally accepted building code.

E. Compliance with Relevant National Technical Standards and the Environmental and Social Policy of the Adaptation Fund.

The proposed project will be implemented in accordance with the Government of Sri Lanka laws and regulations, has an obligatory requirement to follow and comply with national technical standards and relevant legislation. The project was selected for submission to the Adaptation Fund through a national and sub-national consultation process with mandatory stakeholders including communities and going forward, will be implemented and monitored in line with national legislation and standards outlined below. They have relevance to principals of Adaptation Fund such as compliance with the law, marginalized and vulnerable groups including indigenous people, gender equity, women's' empowerment, land and soil conservation among others. The

[29] https://unfccc.int/sites/default/files/resource/NAP-Sri-Lanka-2016.pdf
https://slcs.chamber.lk/wp-content/uploads/presentation/day2/Sonali_Senaratna_Sellamuttu2_Climate_Resilience_and_Adaptation.pdf
[31] https://www.treasury.gov.lk/api/file/ef2dff2b-8a19-4bc8-9936-10c3e17a9264
[32] Updated Nationally Determined Contributions (NDCs) to the United Nations Framework Convention on Climate Change (UNFCCC), 2021, Ministry of Environment, Sri Lanka.
[33] https://cleansrilanka.gov.lk/

implementation and monitoring of the project will ensure that the principles of the Adaptation Fund, as well as the relevant national technical standards, are adhered to during the lifetime of the project. Project components and outputs will meet technical standards prescribed in environment, forestry, agriculture, agrarian services, fisheries, disaster management and water resources management national technical guidelines and norms. Technical safeguards for minimization of saltwater intrusion through bunds, restoration of minor irrigation tanks and evacuation routes etc. will be followed and incorporated during activity design and implementation by the relevant focal agencies engaged in implementing and monitoring the project at national and divisional level. The project will also identify needs and gaps in appropriate sector technologies aligned with adaptation needs and develop/field test suitable solutions with community participation.

F. Other Funding Sources,

The project is being proposed for 14 DS Divisions with minimal initiatives on climate adaptation being implemented. No activities are included that are already being supported by other funding sources. This has been verified both with national agencies, provincial agencies and local agencies. The project will complement, build on and learn from a number of on-going projects as detailed below for additional knowledge in activity implementation. This will add to the understanding gained from the stakeholder mapping and consultation that took place at the design stage of the project, with interactions of provincial and local government members and communities. As a government-led effort to implement an adaptation project based on policy and identified priorities on the ground, the project will be responsive and responsible for above-board execution. It will complement on-going government programs that are being implemented to manage sea level rise, drought, floods and soil erosion, improve rural agricultural productivity, water management and conservation of biodiversity through NbS.

The focus of the project is community resilience of settlements and preservation of ecosystems as an adaptation strategy - to this end, the experience of lessons and practices from many donor-implemented micro projects will be taken into consideration during the full proposal design stage.

G. Learning and Knowledge Management

UN-Habitat is strongly committed to and practices learning and knowledge management in all projects to capture and disseminate lessons learned - this is a vital area of the proposed project. Initiatives on adaptation are being practiced increasingly, and providing empirical evidence with accurate data is a requirement for projects that work with communities on adaptation, to disseminate information and share lessons with those in similar circumstances facing rapid and intense changes of climate challenged by coping capacities, as well as for policy makers and academics in discussion of the topic. While Sri Lanka has limited experience in working with communities on adaptation practices, this is an area which UN-Habitat has both global and local expertise. Thus, it is obligatory to document the practices as part of the learning curve of all stakeholders. Diligent monitoring and assessment of results and impacts is crucial in order to test effectiveness of government-prescribed adaptation measures, especially in agriculture and water management. The proposed project will serve as part of that learning curve that will allow national technical agencies to test their own assumptions for community-based adaptation. It will provide the government with the opportunity to review context specific approaches and scale up successful activities to achieve resilience of communities and ecosystems to climate impacts on a wider landscape. This is especially true of the strategy (in the National Sustainable Development

Plan and National Environment Action Plan) to protect food security and agricultural livelihoods from climate related impacts The project has included an activity under Component 3 on knowledge management and dissemination of lessons learned especially targeting the up-scaling of lessons and best practices; and generating opportunities for autonomous adaptation in communities with similar ecological and socio-economic conditions. Initiatives on adaptation are being practiced increasingly, and a central claim of community-based adaptation (CBA) is that it increases resilience. In addition, the proposed workshops and seminars will be an opportunity for exchange of ideas on challenges and successes and to form a supporting network in particular with government authorities. A social media platform to promote regular interaction can also be an opportunity to forge partnerships with a broader adaptation network partner. In both districts provincial and national media personnel and institutions will have access to knowledge products such as photos, testimonials, interviews, case studies for publication. Stories of success and challenges will be developed and shared in relevant national or international climate change fora. Policy briefs with recommendations will help inform local and national policy development. UN-Habitat will work with university networks to encourage student study/internship opportunities for learning as well as to encourage support and mentorship. UN-Habitat has worked with students from engineering, urban planning and architectural faculties of the University of Moratuwa (a national technical university in the areas of DRR planning, housing and small infrastructure) and will encourage internships from other Universities as well. The interns will be able to actively participate in the areas of preparation of work plans for Executing Entities, monitoring, analyze and produce reports for overall development of communications related work of the Project; in collecting and updating of information of the Project, evidence based research, collect, analyze, and edit documents related to evidence for effective implementation of monitoring and evaluation systems; support and facilitate consultant teams on advocacy, knowledge sharing and training programmes. The student study/internship activities will be highlighted and reported.

H. Consultative process

A diverse range of stakeholders, including researchers from ICHARM (International Centre for Water Hazard and Risk Management under the auspices of UNESCO), and the University of Moratuwa have been consulted during the development of this concept note, while further inputs have been received from the District Disaster Management Unit, central and local government officials, CSOs, SMEs and livelihood groups and affected rural and urban communities. There will be further consultations with these stakeholders during further development of the full proposal keeping in mind GEDSI principles.

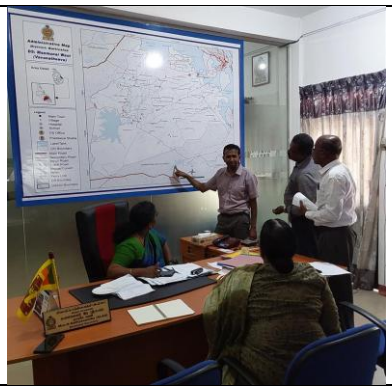
Table 6 Stakeholders and Communities Engaged in Consultations

No	Name of People Participated	Date of Meeting	Key Points Agreed
01	**Provincial Irrigation (Chenkalady): Eng. ASM Irsath,** Ms. Aziza (Deputy Country Programme Manager - DCPM, UN-Habitat)	17/06/2025	● Improve spillways of 4 medium-sized tanks to enhance climate resilience and reduce downstream flood risk ● Incorporate tanks into broader flood adaptation strategy.

	Eng. Aleem (National Project Manager - NPM, UN-Habitat)		
02	**Eravur Urban Council:** **Chairman M.S. Naleem,** Ms. Aziza (DCPM, UN-Habitat) Eng. Aleem (NPM, UN-Habitat)	17/06/2025	● Restore Silted Thona system to reduce flood risks ● Master plan implementation expected to benefit approximately 18,500 families ● Ward offices with focal officers established to improve community responsiveness. ● Letter dated 07.07.2025 endorsing proposed B-CARE project and nominating focal point
03	**Women's Self-Help Group:** President and 6 members Ms. Aziza (DCPM, UN-Habitat) Eng. Aleem (NPM, UN-Habitat) Razeen (UN-Habitat)	18/06/2025	● Strengthen women's role in flood response and water management ● Reactivate village disaster committees ● Improve communication during evacuations ● Promote ecotourism and community-based resilience initiatives.  

04	**Deputy Director of Provincial Irrigation:** Eng. S. Subaharan Ms. Aziza (DCPM, UN-Habitat) Eng. Aleem (NPM, UN-Habitat) Mr. Razeen (UN-Habitat)	18/06/2025	● Establish River Basin and Lagoon Task Forces ● Enhance coordination between upstream and downstream flood management ● Restore irrigation tanks ● Engage communities in evacuation planning. ● 
05	**Urban Council of Kattankudy:** SHM Asfar (Chairman) and 13 Council Members Ms. Aziza (DCPM, UN-Habitat) Eng. Aleem (NPM, UN-Habitat) Mr. Razeen (UN-Habitat)	18/06/2025	● Revise and implement drainage master plan ● Prioritize restoration of Thona and stormwater systems ● Develop early warning systems ● Strengthen urban flood mitigation and funding mobilization. ● Letter dated 07.07.2025 endorsing proposed B-CARE project. 
06	**Director of Irrigation – Batticaloa:** Eng. M.I.M.Z. Ibrahim Ms. Aziza (DCPM, UN-Habitat) Eng. Aleem (NPM, UN-Habitat) Mr. Razeen (UN-Habitat)	18/06/2025	● Prioritize tank and bund upgrades (e.g., Kithul Tank) ● Renovate Munthani Aru basin and abandoned Thonas ● Conduct hydrological studies ● Develop evacuation infrastructure in Kiran and Santhiveli ● Consider implications of Mundeni Aru project – a loan extended by AFD which has been under development since 2017.

07	**Stakeholder Consultation Meeting (chaired by GA Batticaloa)**: Government Agent – Batticaloa, Department of Irrigation (Director and Provincial Deputy Director), Department of Agrarian Services, District Planning Unit and Assistant Commissioner Local Government (ACLG), Divisional Secretariats (Kiran, Vavunathivu, Oddamavadi), Disaster Management Centre (DMC), Pradeshiya Sabha Chairpersons, Chamber of Commerce, Farmer Organizations, Civil Society Organizations, Academia (University of Moratuwa, Eastern University), International partners -online (ICHARM Japan), and UN-Habitat (Ms. Aziza, Eng. Aleem)	18/06/2025	● Finalize concept note for submission to Adaptation Fund by August 2025 ● Select 40 Thonas and 15 tanks for intervention ● Construction of a saltwater intrusion prevention bund to mitigate the effects of rising lagoon water levels ● Emphasize early warning systems, equitable water access, strong inter agency coordination, and livelihood restoration. ● Letters dated 09.07.2025 and 15.10.2025 from GA recommending priority consideration and referencing consent of Chairman District Coordination Committee and Minister of Industry and Enterprise Development for the B-CARE proposal as a timely, holistic and transformative step towards long-term climate resilience.  
08	**Vavunatheevu DS and PS:** Mrs. N. Sathyananthy (Divisional Secretary) Chairman, Pradeshiya Sabha Ms. Aziza (DCPM, UN-Habitat) Eng. Aleem (NPM, UN-Habitat) Razeen (UN-Habitat)	19/06/2025	● Prioritize water supply project for 3,500 families ● Establish treatment plant and distribution system ● Coordinate with National Water Supply & Drainage Board for connections ● Improve irrigation system to support 15,000 acres of cultivation.

			
09	**Ministry of Rural Development, Social Security & Community Empowerment:** Minister Upali Pannilage and Secretary (Acting) A.H.L.D. Gamini Wijesinghe **UN-Habitat:** Ms Harshini Halangode (Country Programme Manager), Ms Aziza Usoof (DCPM); Eng. Aleem (NPM)	28.07.2025	● Endorsement of B-CARE proposal – Letter dated 20.07.2025
10	**Ministry of Urban Development, Construction and Housing:** Minister Anura Karunathilaka; Secretary Ranjith Ariyarathna **UN-Habitat:** Ms Harshini Halangode (Country Programme Manager), Mr Laxman Perera (Snr Advisor), Ms Aziza Usoof (DCPM); Eng. Aleem (NPM)		● Endorsement of B-CARE proposal – Letter dated 13.08.2025
11	**Ministry of Finance – National Planning Department:** **UN-Habitat:** Ms Harshini Halangode (Country Programme Manager), Eng. Mohamed Aleem (NPM), Ms Tameez Bohoran (Project Architect)		● Confirmation that activities are not duplicated and request for initiation of activities. Email dated 22.10.2025

I. Justification for Funding Requested

The sustainability of the project has been considered from the very early stage of project planning. The project outcomes are designed to address gaps in climate adaptation and meet community

needs of extremely vulnerable settlements located in one of Sri Lanka's conflict affected districts which is home to many returnee communities. They align government priorities as detailed in the National strategies, Plans and Policies on adaptation, and outcomes of the Adaptation Fund as stated in the Adaptation Fund results framework. The outcomes are designed to complement each other and thereby reinforce actions taken to achieve sustainability. The project is therefore capable of building capacity to leverage efficient climate finance instruments that can support local level adaptation needs of vulnerable members in the selected targeted areas and sustain, once the Adaptation Fund investment concludes. Livelihood options for communities challenged by climate change, with training, learning and capacity building will support the economic resilience of communities on the one hand, while enabling communities to avoid/reduce future costs related to climate change, while reducing vulnerabilities in the medium-term. By fully engaging communities, in particular women and youth, social integration of the project outputs will be achieved. The awareness raising and capacity enhancement of the local actors, including households, will also lead to long-lasting interest. The project approach will provide robust lessons for replication and can be integrated into national plans and policies. Once the benefits are shared nationally, it is likely that other district authorities will also welcome adaptation initiatives for their communities. This will facilitate the up-scaling/out-scaling of project activities and open ways for local and national governments to replicate and reach out to other areas needing such initiatives. Trained government officials at different levels with planning and implementing experience will support in aligning adaptation planning processes at district, provincial and national levels, with a view to influencing an enabling policy environment. The Project maximizes the funding amount for the investments programmed under Component 1 and 2 . It allocates **79.9%%** per cent of the Project budget (excluding executing costs and project cycle management) to investments in Component 1 and 2 which focuses on small-scale climate resilient infrastructure. The funding for soft activities under Components 3 is required for complementarity/support for Component 1 and 2, and sustainability and quality assurance of the Project.

J. Sustainability of the Project

The project will deliver on economic, social and environmental benefits to vulnerable groups in particular women and marginalized groups including indigenous people in the 14 targeted project locations. Access to funding to implement sustained adaptation practices in particular nature-based solutions embracing climate smart eco system restoration will benefit improved livelihoods in Batticaloa District having undergone an internal conflict, hence build their resilience. The gender responsive approach of providing equal access to opportunities and local decision-making and resilience planning for women who are marginalized although carrying the majority burden in household upkeep, including persons with disabilities, youth will deliver on enhancing resilience capacity, while integrating them in project activities.
The project outcomes are designed to address gaps in adaptation and community needs in facing climate challenges. They align government priorities as detailed in the National strategies, Plans and Policies on adaptation, and outcomes of the Adaptation Fund as stated in the Adaptation Fund results framework. They are designed to complement each other and thereby reinforce actions taken to achieve sustainability. Activities could be seen as traditional adaptation approaches, but they support broader resilience actions that reduce current day vulnerabilities and build a strong platform for future adaptation pathways. These will build capacity of authorities to leverage climate finance instruments that can further support local level adaptation needs of vulnerable members in the selected targeted areas sustainably, once AF investment concludes.

Economic Sustainability: The project activities promote investing in the resilience of vulnerable communities, physical, natural and social assets and ecosystems to ensure economic

sustainability from the perspective of increased crop yields, reduced crop destruction of crops due to flooding/drought and alternative livelihoods approach. This approach enhances overall wellbeing and the quality of life of vulnerable people. Furthermore, learning and capacity building will contribute to avoiding future costs related to climate change and the impacts of extreme climate events or disasters. The approach plans for future savings in high costs, for example of infrastructure such as damaged housing, roads due to flooding. The lessons learnt on economic benefits and resilience can be integrated into national plans and policies to enable replication. The approach will also provide robust lessons and insights for future funding opportunities.

Social Sustainability: By fully engaging communities in all their diversities from the targeted settlements with a focus on women, persons with disabilities youth and older persons and maintaining a gender balance in project activities to ensure participation of both women, and men, a gender responsive and human rights-based approach to social integration and inclusivity of the project outputs will be achieved. The participants are involved in development of plans/strategies, assessments, and monitoring of the project to ensure their interest, ownership, and understanding in adaptation in the medium and long term. The project will also strengthen intergenerational participation, preserve local, indigenous and traditional knowledge, and build local governance and social cohesion, supporting sustainable community decision-making and resilience. The awareness raising and capacity enhancement of the local actors will also lead to long-lasting change, including towards gender equality and women's empowerment. Most importantly the increased resilience of communities and their infrastructure will reduce community vulnerabilities in the long run. Once the benefits to local, vulnerable communities are shared nationally, it is likely that other district authorities will also welcome adaptation initiatives for their communities. This will facilitate the up-scaling/out-scaling of project activities to other areas for vulnerable communities.

Environmental Sustainability: Ensuring environmental sustainability is central in planning of the project and is considered an integral and necessary condition. An eco-system-based adaptation approach based on natural resource management is essential in fragile habitats. Agriculture, including rain-fed farming, needs measures for soil and water conservation, especially in lands with high salinity. Mangrove restoration will help coastal areas in disaster risk reduction, soil erosion reduction and carbon sequestration, as well as link with economic sustainability of fisher communities. Flora and fauna protection and conservation will also be propagated through NbS. Home garden development practices will be considered. The project will open ways for local and national governments to carry forward the adaptation work implemented in 14 selected locations, to replicate and reach out to other areas needing such initiatives. Trained government officials at different levels with planning and implementing experience will support in aligning adaptation planning processes at district, provincial and national levels, with a view to influencing an enabling policy environment. The stakeholder interactions and consultations of the project, promoting a participatory approach will lead to establishing a strong relationship with District, Divisional and the Local authorities. Interactions with local and district government at the design phase created a sense of local ownership and this relationship will be fostered further. Where relevant, lessons learned will explore the potential to implement and/or amend local by-laws and influence national policy/legislation. The project has the potential not only to be well aligned with climate change adaptation priorities of the government but also to obtain the buy-in and support of district/divisional/local authorities for programmes and initiatives on adaptation that go beyond the time frame of this project.

Financial sustainability: Financial sustainability of project outputs and outcomes are foremost in designing of the project as assurances for long term consistency is needed for safeguarding community livelihoods and income generation. The government investment and interest in the

project can be maintained when financial assurances are in place. Improved service provision will avoid future high costs, such as relocation of households due to saltwater intrusion into drinking water and reduce health-related expenditures that are largely subsidized by the Government. At the community level, improved skills, livelihoods, income (or avoided losses) are expected to enhance the financial strength of households. Infrastructure elements, if necessary, will be designed using resilience and 'building back better principles;, to ascertain durability and sustainability, reducing costs of repair and renovation. Community participation in maintenance of public utilities ensures that after the project ends, infrastructure systems are maintained. Empowered communities will be able to utilize knowledge, skills, technical know-how and skills obtained through the tailored, demand-driven training and implementation processes of the project, are able to manage resources effectively. Local authorities will be better equipped to access additional climate finance resources. They will have improved ability to identify risks and priorities, formulate and implement further responses to climate change that can be sustained in the medium and long-term. All infrastructure under this investment will be officially handed over to the respective Government entities based on their mandates. Below table shows the planned actions to ensure sustainability of each activity.

K. Environmental and Social Impacts and Risks

Table 7 Alignment with AF's Environmental & Social Policy

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	**Low risk.** The proposed project is developed in close collaboration with the Government of Sri Lanka, local government agencies in the target area, and other key stakeholders ensuring strict compliance with relevant laws and regulations, thereby reducing the risk level associated with this ESP. As part of the ESP Management plan, the full project proposal will carry out an extensive analysis of relevant laws and detail the project's compliance with said laws and consultations with legal/social safeguard agencies for validations.	
Access and Equity		**Moderate risk.** There could be a risk of unequal access to project benefits particularly for vulnerable and marginalized groups. **Mitigation:** The project

		aims at practicing inclusivity and nondiscrimination as accounted for by the country's constitution. A detailed stakeholder analysis and implementation of community consultations will be done to ensure fair distribution of project benefits among all groups. The project will pay special attention to women and youth for equitable access to the benefits of the project. Key issues have been considered through the initial gender assessment conducted at Concept Note stage. UN-Habitat's participatory process, (Peoples Process[34]) ensures inclusivity at all levels of the project. It is mandatory that UN-Habitat incorporates Grievance Redress Mechanisms (GRMs) into its projects to address complaints from stakeholders, ensuring transparency and accountability.
Marginalized and Vulnerable Groups	**Low risk**. During the concept note stage, detail vulnerable groups were identified through stakeholder consultations, analysis of data sets such as district poverty head count through registered subsidiary receivers, the Samurdhi and Asvasuma programme, and field missions. It is expected, the vulnerability identification to be re-verified during the full proposal development process.	
Human Rights	**Low risk.** UN-Habitat strongly adopts a right-based approach to all projects where the beneficiary rights are fully protected. During the project concept formulation, rights of the all-project stakeholders including targeted communities have been considered in line with the country's constitution and other legal frameworks and well as United Nations principles including the right to equality and non-discrimination, access to information and freedom of	

[34] Peoples Process is a

	expression. Therefore, approach has no negative effect on AF policies.	
Gender Equality and Women's Empowerment		**Moderate risk**: Women's participation and benefits may be hindered by systemic (cultural) gender disparities in project areas. **Mitigation:** During the concept formulation, consultations at all levels, particularly in the field, ensured that adequate space for women voice has been created and encourage active participation. However, due to cultural aspect, continued focus should be made through out the project cycle to ensure women are part of the process. UN-Habitat will ensure GEDSI approach in capacity development with local government and community representatives who will contribute towards ensuring an enabling environment towards women's empowerment and gender equality within and beyond the project activities.
Core Labour Rights	**Low Risk.** Sri Lanka has ratified number of core labor standards (30 are in force) established by the International Labour Organization (ILO)[35]. In addition, UN- Habitat assures labour rights within its Human Rights Marker which is mandatory for all projects implemented directly or through executing entities.	
Indigenous Peoples		**Moderate risks.** During the project conception formulation stage, presence of Indigenous people were identified in a few locations of the target areas. **Mitigation:** Continued attention will be made through out the project cycle to ensure indigenous people are part of the process and have equal access to all project activities. UN-Habitat will ensure adequate consultations will be held with Indigenous People in

[35] Ratifications of Sri Lanka, 2025, Information System on International Labour Standards, International Labour Organization.

		their diversity during full proposal preparation stage.
Involuntary Resettlement	**No risk.** No involuntary resettlement is foreseen as project activities do not involve large infrastructure or modification of tenure. The Peoples Process, the community centered approach, will be used in all project locations (on a voluntary basis). Therefore, no resettlements or even displacement to new locations is expected	
Protection of Natural Habitats	**Low risk.** There is a low probability of overlapping project intervention areas with existing critical natural habitats including those that are (a) legally protected; (b) officially proposed for protection; (c) recognized by authoritative sources for their high conservation value by national and provincial governments. However, further assessment will be conducted at full proposal stage to confirm no effects on natural habitat based on the precise project area.	
Conservation of Biological Diversity	**Low risk.** Considering the extent of **deforestation** in project areas, there is a possibility that negligence and disruptive actions on identified water bodies are negatively impacting biological diversity. However, the project will propose nature-based solutions to restore ecosystems and reduce drivers **of deforestation**. However, there may be a small risk that **reforestation** activities are conducted in a way that does not strive to restore the original biodiversity by introducing non-native species. The project will not promote any invasive plant or animal species. It will abide by the Fauna and Flora Protection Ordinance of Sri Lanka and promoted by the National Invasive Alien Species (IAS) Policy of Sri Lanka. Accordingly, only use native or proven locally adapted and non-invasive species of trees for green canopy improvements. Any risk to biological diversity will be continuously monitored and assessed during the	

	implementation of the project, guided by the ESMP which will be developed at full project proposal stage.	
Climate Change	**No risk**. The project's interventions do not involve large-scale construction works or require extensive land preparation. Additionally, the project promotes climate resilient nature-based solutions for environmental restoration	
Pollution Prevention and Resource Efficiency	**Low risk** There is a direct minor risk of using ad hoc disposal of invasive plants during the rehabilitation of small and medium tanks. However, potential impacts resulting from this risk remain limited as the project will promote well-structured environmentally sustainable disposable plan to prevent future infestations. At full proposal development, an ESMP will be developed which includes for continuous monitoring and assessing the pollutants and track resource efficiency.	
Public Health	**Low risk.** The project will not envisage any activity that will negatively impact on public health directly. Instead health benefits, in particular on safe water through reduction of salinity intrusion and reduction of water borne diseases due to flood reduction can be expected. However, any potential health concerns will be further verified through extensive stakeholder consultations during full proposal stage	
Physical and Cultural Heritage	During concept proposal preparation, findings through assessments and consultations confirmed no existing physical or cultural heritage sites in the identified location will be at risk. This will be further verified at the project proposal stage with mandatory government organizations as well as with local communities including religious and cultural institutions	
Lands and Soil Conservation	**Low to no risk.** The project will promote sustainable eco-system management at both local government and community level. Soil conservation, fertility and health will be the primary focus of capacity-building interventions for	

	improved resilience to climate hazards. Activities focus on eco-system restoration through nature-based solutions. This will be carefully monitored and addressed through the ESMP monitoring plan. Any unlikely risk to land and soil conservation as a result of project interventions or that may threaten project intervention will be continuously monitored and assessed during the implementation of the project, as guided by the ESMP to be developed at full project proposal stage	

PART III: IMPLEMENTATION ARRANGEMENTS

This project is designed and implemented in full alignment with the **Locally Led Adaptation (LLA) principles** of the Adaptation Fund, placing communities at the center of decision-making, implementation, and long-term stewardship. Adaptation priorities including the rehabilitation of Thona drainage networks, ecosystem restoration measures, and flood risk reduction infrastructure are **identified and prioritized through community-informed assessments**, participatory planning processes, and structured engagement with local institutions such as VDMCs, farmer organizations, women's groups, and youth groups. Indigenous knowledge and lived experience of flooding, saltwater intrusion, and drainage bottlenecks are systematically integrated into hydrological studies, design choices, and investment sequencing, ensuring that adaptation actions are context-specific and locally relevant.

In line with Enhanced Direct Access (EDA) principles, project funds are channeled directly to national and local actors (i.e., relevant Ees), through General Treasury of Sri Lanka, empowering them to decide how resources are allocated and utilized based on locally identified climate risks and priorities. Financing decisions for nature-based solutions, Thona rehabilitation, small-scale drainage improvements, and associated capacity-building activities are informed by **community-led prioritization mechanisms** and implemented through local institutions. The project adopts a **co-management implementation model**, where communities and local governments jointly plan, implement, operate, and maintain adaptation investments. Responsibilities for maintaining Thona networks, bunds, irrigation tanks, and riparian buffers are formalized through community–government arrangements, strengthening accountability, ownership, and sustainability beyond the project lifecycle. By embedding women, youth, and community-based organizations as **active decision-makers rather than passive beneficiaries**, the project ensures inclusive, flexible, and durable adaptation outcomes while contributing to national adaptation objectives.

The project will be implemented by the United Nations Human Settlements Programme

(UN-Habitat), which will serve as the Implementing Entity (IE). UN-Habitat will provide overall project coordination and strategic oversight to ensure alignment with the Adaptation Fund's policies, EDA requirements, and national adaptation priorities. In addition, UN-Habitat will be responsible for fiduciary management, safeguards compliance, and results-based monitoring, ensuring transparent, accountable, and effective use of funds, while enabling national and local actors to lead decision-making and implementation on the ground.

Governance and Oversight – Project Steering Committee (PSC)

A Project Steering Committee (PSC) will be established at national level to provide strategic oversight, risk, adaptation and performance monitoring through the project. The PSC will ensure that the project aligns with national policies and regional adaptation frameworks, facilitating coordination between local authorities and other stakeholders. The representation of the PSC will be defined fully during the Project Preparatory Phase.

Alignment of the Project with the Results Framework of the Adaptation Fund

The proposed project's overall and specific objectives, as well as the anticipated project outcomes align closely with several Fund outcomes (2, 3, and 6) and outputs (3.2, 4.01.1, and 6.0). Table 7 cross references the objectives and outcomes of the proposed project to the respective fund outcome and output, including the relevant project and fund indicators and the corresponding amount of funding requested.

Table 8 Project Alignment with Results Framework of Adaptation Fund

Project Objective(s)[1]	**Project Objective Indicator(s)**	**Fund Outcome**	**Fund Outcome Indicator**	**Grant Amount (USD)**
Increased adaptive capacity of communities in Batticaloa District to respond to the impacts of climate change	No. and type of natural resource assets improved and maintained to reduce climate risks	Outcome 5: Increased ecosystem resilience in response to climate change and variability induced stress	5: Ecosystem services and natural resource assets maintained or improved under climate change and variability-induced stress	
Project Outcome(s)	**Project Outcome Indicator(s)**	**Fund Output**	**Fund Output Indicator**	**Grant Amount (USD)**
Outcome 1: Enhanced community resilience, reduced human and ecosystem health and economic vulnerability	Indicator 1.1.1: No. and type of natural resource assets improved and maintained to	Output 5.1: Vulnerable ecosystem services and natural resource	Indicator 5.1.1: Ecosystems and natural resources targeted by activities to	3,330,000

to climate change impacts and extreme weather	reduce flood and drought risk Indicator 1.1.2: No. of persons (with sex and age disaggregated data) with reduced health and economic vulnerabilities to to impacts of climate change	assets strengthened in response to climate change impacts, including variability	improve protection, restoration, and/or management [# of resources, by type]	
Outcome 2. Improved adaptive response capacity of communities and local government through data-driven interventions	2.1.1: No and type of District and LG authorities capacitated to minimize exposure to climate change induced extreme flood events 2.1.2- No. of data driven interventions developed and integrated for flood and weather forecasting	Output 2.1: Strengthened capacity of institutions to understand and better address climate risks	Indicator 2.1.1: Institutions supported to strengthen capacity to understand and address climate risks and resilience [# of institutions, disaggregated by scale and sector]	615,507
Outcome 3: Communities and sub-national institutions are empowered to plan, implement, and monitor adaptation activities	3.1.1: No. of Village Disaster Management Committees (including sex disaggregated data on participation) and Women Led organizations capacitated to minimize community exposure to climate change induced extreme flood events 3.1.2. No of local governments supported to implement and monitor adaptation	Output 3.1: Targeted population groups participating in adaptation and risk reduction awareness activities	Indicator 3.1.1: People participating in activities to improve awareness of climate risks and how to address them	225,000

	activities 3.1.3 No. of policies related to settlement planning reviewed.			

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

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

A. Record of endorsement on behalf of the government[36]

Mr. K.R. Uduwawala *Secretary* *Ministry of Environment* *No. 416/C/1 "Sobadam Piyasa" Robert Gunawardhana Mawatha, Battarmulla* *Sri Lanka* *Tel: +94 112034100 Fax: +94 11 287 944* *Email: info@env.gov.lk;* *Alternate emails: sec@env.gov.lk;*	Date*: (02.09.2026)*

B. Implementing Entity certification

Raf Tuts
Director, Global Solutions Division
UN-Habitat

Date: February 9, 2026	Tel. and email: +254-20-762-3736 Email: raf.tuts@un.org
Project Contact Person: Odicea Angelo Barrios, Programme Management Officer, Human Settlements, UN-Habitat Regional Office for Asia and the Pacific	
Tel. And Email: (81-92) 724-7121 And Email: odicea.angelobarrios1@un.org	

[36] Each Party shall designate and communicate to the secretariat the authority that will endorse on behalf of the national government the projects and programmes proposed by the implementing entities.

පරිසර අමාත්‍යාංශය
சுற்றாடல் அமைச்சு
Ministry of Environment

"සොබාදම් පියස", අංක 416/සී/1, රොබට් ගුණවර්ධන මාවත, බත්තරමුල්ල, ශ්‍රී ලංකාව.
"சொபாதம் பியச", இல. 416/சீ/1, ரொபர்ட் குணவர்தன மாவத்தை, பத்தரமுல்லை, இலங்கை.
"Sobadam Piyasa", No. 416/C/1, Robert Gunawardana Mawatha, Battaramulla, Sri Lanka.

Gen. Tel. +94-11-2034100

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මගේ අංකය / எனது இல / My No: Env/CC/04/04/02/01 – LLA Un Habitat

ඔබේ අංකය / உமது இல / Your No:

දිනය / திகதி / Date: 09.02.2026

The Chairman
The Adaptation Fund Board
c/o Adaptation Fund Board Secretariat

Letter of Endorsement by the Government of Sri Lanka
Locally Led Adaptation Project for Single Country
Batticaloa Climate Smart Adaptation & Resilience Through Ecosystem (B -CARE)

In my capacity as the designated authority for the Adaptation Fund in Sri Lanka, I confirm that the above- mentioned project is in accordance with the government's national priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in Sri Lanka.

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 country office of the United Nations Human Settlement Programme (UN Habitat) in Sri Lanka.

K. R. Uduwawala
Secretary

மாவட்டசெயலகம், மட்டக்களப்பு.
දිස්ත්‍රික් ලේකම් කාර්යාලය මඩකලපුව
DISTRICT SECRETARIAT, BATTICALOA.
(திட்டமிடல் பிரிவு) (සැලසුම් අංශය) (Planning Division)

எனது இல / මගේ අංකය / MY No: DPD/UN-Habitat/Requ/DO36/2025/01

உமது இல / ඔබේ අංකය / Your No:

திகதி / දිනය / Date: 15.08.2025

Secretary,
Ministry of Environment,
Battaramulla.

Recommendation for Priority Consideration – "Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)" by UN-Habitat

Ref: DPD/UN-Habitat/Requ/DO36/2025/01, dated 9 July 2025

In addition to our letter referenced above, I write to recommend the proposed initiative "Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)", led by UN-Habitat in collaboration with the Ministry of Environment, for **priority consideration** under the Adaptation Fund (AF).

The concept was presented at a stakeholder consultation on 18 June 2025 at the Batticaloa District Secretariat, attended by over 50 representatives from government agencies, local authorities, academia, community organizations, and international experts.

Subsequently, the concept was tabled at a separate meeting with Hon.Sunil Handunneththi, MP, Minister of Industry and Entrepreneurship Development and Chairman of DCC, Batticaloa District, on 13 August 2025. It was reviewed and consent given to the proposed activities, amounting to **USD 15 million**, and agreed to proceed with the initiative.

The project includes:

- **40 nos** Restoration of drainage systems and stormwater connectivity
- **10 nos** Rehabilitation and augmentation of irrigation tanks
- **5 km** Construction of a saltwater intrusion prevention bund
- **2 nos** Development of evacuation infrastructure in Kiran DS Division
- Establishment of real-time early warning systems and capacity-building for disaster preparedness

With over 40% of Batticaloa's population and 50,000 hectares of paddy land affected annually by climate extremes, particularly floods and droughts, this initiative represents a **timely, holistic and transformative step** toward long-term **climate resilience**.

I respectfully request the Ministry of Environment **to give this proposal priority consideration** and facilitate its onward processing for submission to the Adaptation Fund.

Sgd. **Mrs.J.J.Muraleetharan,**
Government Agent & District Secretary,
Batticaloa District.

Mrs. J. J. Muraleetharan
Government Agent & District Secretary
Batticaloa.

Copies to 1) Hon. Minister Sunil Handunnetti, MP, Industry and Entrepreneurship Development and Chairman of DCC : f,i,.pls
2) Harshini Halangode, Country Programme Manager, UN-Habitat : f.i.pls

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அலுவலகம் / කාර්යාලය / Office: 065-2222233
மின்னஞ்சல் / විද්‍යුත් තැපෑල / e - mail: moha.dist.batticaloa@gmail.com
திட்டமிடல் பணிப்பாளர் / සැලසුම් අධ්‍යක්ෂ / Director of Planning: 065-2223151
தொலைநகல் / ෆැක්ස් / Fax: 065-2222435
பிரதி திட்டமிடல் பணிப்பாளர் / නියෝජ්‍ය සැලසුම් අධ්‍යක්ෂ / Deputy Director of Planning: 065-2222674
மின்னஞ்சல் / විද්‍යුත් තැපෑල / e – mail: dpsbati@gmail.com

අමාත්‍ය අනුර කරුණාතිලක (පා:ම)
அமைச்சர் அனுர கருணாதிலக (பா.உ)
Minister Anura Karunathilaka (M.P)

නාගරික සංවර්ධන, ඉදිකිරීම් සහ නිවාස අමාත්‍යාංශය
நகர அபிவிருத்தி, நிர்மாணிப்பு மற்றும் வீடமைப்பு அமைச்சு
Ministry of Urban Development, Construction and Housing

මගේ අංකය / எமது இல / My Ref: MUDCH/MO/MIN/041

ඔබේ අංකය / உமது இல / Your Ref:

දිනය / திகதி / Date: 2025.08.13

Dr. Dammika Patabendi
Minister of Environment
Ministry of Environment
"Sobadam Piyasa"
Battaramulla

Dear Minister,

Letter of support for proposed "Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)" project

I write to express the Ministry's support to the Concept Note titled "**Batticaloa Climate Smart Adaptation & Resilience through Ecosystem (B-CARE)**" to be submitted to the Adaptation Fund.

Noting that in recent years the Batticaloa District due to its low-lying topographical features has been greatly impacted by the impacts of climate change and aggravated by poor land use practices, the Ministry highly appreciates this proposal which will focus on both urban and rural areas, while building the capacity of local authorities to ensure better land use and management practices while increasing the resilience of vulnerable communities to floods and droughts. In this respect the proposed project includes the following key activities:

- Restoration of 40 nos. natural drainage networks known as "Thonas" by local communities which will help mitigate urban flooding
- Creating a green buffer (riparian buffer) canopy along the "Thonas"
- Renovation and repair of 10 nos. small and medium irrigation tanks to reduce the impact of flooding
- Renovation of 5kms of saltwater intrusion bund along the Batticaloa lagoon to reduce the effects of rising lagoon water levels
- Establishment of a flood early warning system
- Improving the capacities of local officials to identify urban planning gaps and mainstream climate change into development plans and regulatory frameworks and maintain Thona networks
- Establish women led organizations to respond to disasters

UN- Habitat has consulted with the Ministry when designing the project, and the ministry is in agreement with the project objectives, outputs and budget. We are committed to working in collaboration with UN-Habitat, by providing guidance and input during the project development and implementation stage.

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Therefore, we fully endorse this project as it addresses the critical needs of vulnerable communities of the Batticaloa District and would appreciate it very much if this concept note is recommended to the Adaptation Fund Board during the current funding cycle.

Yours sincerely,

Anura Karunathilaka
Minister of Urban Development,
Construction and Housing

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Anura Karunathilaka
Minister of Urban development Construction & Housing

cc. Mrs. Harshini Halangode, Country Programme Manager, UN-Habitat, Sri Lanka Housing.

2 වන මහල, සෙත්සිරිපාය අදියර I බත්තරමුල්ල
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ග්‍රාමීය සංවර්ධන, සමාජ ආරක්ෂණ සහ ප්‍රජා සවිබලගැන්වීම් අමාත්‍යාංශය
கிராமிய அபிவிருத்தி, சமூகப் பாதுகாப்பு மற்றும் சமூக வலுவூட்டுகை அமைச்சு
Ministry of Rural Development, Social Security and Community Empowerment

01වන මහල, IIඅදියර, සෙත්සිරිපාය, බත්තරමුල්ල. 01ஆம் மாடி, கட்டம் II, செத்சிறிபாய, பத்தரமுல்லை. 01st Floor, Stage II, Sethsiripaya, Battaramulla

මගේ අංකය. எனது இல. My No } MRDSS&CE/4/1/2/26

ඔබේ අංකය. உமது இல. Your No. }

දිනය. திகதி Date } 28.07.2025

Chair
The Adaptation Fund Board
1818 IT Street NW
MSN N 7 – 700
Washington DC, 20433
USA

Dear Chair,

Re: Support for proposed "Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)" project

I am writing to express our support to the Concept Note titled "**Batticaloa Climate Smart Adaptation & Resilience through Ecosystem (B-CARE)**" to be submitted to the Adaptation Fund.

The proposed project includes the following key activities, which are critical to increasing the resilience of vulnerable communities to floods and droughts including climate change induced extreme events which directly impact their lives and livelihoods.

- Restoration of 40 nos. natural drainage networks known as "Thonas" by local communities
- Renovation and repair of 10 nos. small and medium irrigation tanks
- Renovation of 5kms of saltwater intrusion bund along the Batticaloa lagoon
- Construction two of evacuation pathways/ bridges at Kiran and Pondukhal Senai
- Installation of a flood early warning system
- Improving capacities of local officials to mainstream climate change into development plans and regulatory frameworks and
- Establish/ revive 30 nos. Village Disaster Management Committees and women led organizations to respond to disasters

UN- Habitat has consulted with this Ministry when designing the project and the Ministry is in agreement with the project objectives and outputs. This Ministry is intended to working in collaboration with UN-Habitat, by providing guidance and input during the project development and implementation stage.

Therefore, this Ministry fully endorses this project as it addresses the critical needs of vulnerable communities of the Batticaloa District in Sri Lanka and would appreciate it very much if this concept note is recommended to the Adaptation Fund Board during the current funding cycle.

Yours sincerely,

A.H.L.D Gamini Wijesinghe
Secretary (Acting)

ලේකම් /செயலாளர்/Secretary: 011- 2883525
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ஏறாவூர் நகர சபை
ඒරාවූර් නගර සභාව
ERAVUR URBAN COUNCIL
பிரதான வீதி, ஏறாவூர் ප්‍රධාන විදිය, ඒරාවූර Main Road, Eravur

எனது இல. / මගේ අංකය / My No: EP/BT/EUC/Council/GEN/2025

மது இல. / ඔබේ අංකය / Your No:

திகதி / දිනය / Date: 07.07.2025

The Secretary,
Ministry of Environment,
Sobadam Piyasa,
416/C/1, Robert Gunawardana Mawatha,
Battaramulla

Dear Sir,

Letter of Support for Climate Smart Nature-Based Adaptative Initiatives for Batticaloa District Flood & Drought Management Project

I am writing on behalf of Eravur Urban Council to express our support for the proposed Project Concept Note titled "Climate Smart Nature-Based Adaptative Initiatives for Batticaloa District Flood & Drought Management Project", to be submitted by UN-Habitat, Sri Lanka to the Adaptation Fund.

UN-Habitat has actively collaborated with us in the design of this Concept Note, and we have jointly agreed on the project's objectives, outputs and budget. We are committed to working closely with UN-Habitat, providing guidance and inputs throughout the project's implementation.

We endorse this project as it will bring significant benefits to our city, including,

- Reduction of urban flooding through the restoration of naturally occurring drainage systems (locally known as Thonas) and enhancement of storm water connectivity
- Improving biodiversity through restoration of habitats for aquatic life, water birds and providing a lifeline for these species during drought periods through restoration of the same
- Improving aesthetics and recreation facilities within the city through restoration of the water receding pathways and associated waterbodies.
- Improving early warning and disaster response capacities of the city

In this regard, I nominate myself as the focal point for the Eravur Urban Council, with the details provided below.

Name : Mohamed Sali Naleem
Desigation : Chairman
Mobile : 077 3535 358
Email : uceravur@gmail.com/naleemslmc@gmail.com

Sincerely,

M.S. Naleem (J.P)
Chairman
Eravur Urban Council,
Eravur.

Chairman
Eravur Urban Council

கௌரவ தவிசாளர் / ගරු සභාපති තුමා / Hon. Chairman: 065-2241329
செயலாளர் / ලේකම් / Secretary: 065-2241080
நிருவாகப் பிரிவு / පරිපාලන අංශය / Admin Unit: 0652240486
நிதிப் பிரிவு. / ගිණුම් අංශය / Account Unit: 065-2241478
திட்டமிடல் / සැලසුම් අංශය / Planning Unit: 065-2240484
தொழில்நுட்பப் பிரிவு / තාක්ෂණික අංශය / Technical Unit: 065-2241295
தொலைநகல் / ෆැක්ස් / Fax: 065-2240035
மின்னஞ்சல். / විද්‍යුත් තැපෑල / E - Mail: uceravur@gmail.com

කාත්තාන්කුඩි, නගර සභාව
காத்தான்குடி நகர சபை
KATTANKUDY, URBAN COUNCIL

எனது இல
My No } KUC/CH/GEN/2025

திகதி
Date } 2025.07.07

The Secretary
Ministry of Environment
Sobadam Piyasa,
416/C/1, Robert Gunawardana Mawatha,
Battaramulla

Dear Sir,

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- Improving aesthetics and recreation facilities within the city through restoration of the Thonas and associated waterbodies.
- Improving early warning and disaster response capacities of the city

Sincerely,

Chairman
Urban Council
Kattankudy

S H M ASFAR JP, UM
Chairman
Urban Council
Kattankudy.

தவிசாளர் : 0654929181
Chairman
பிரதி தவிசாளர் : 065 2246669
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செயலாளர் : 0654929182
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