



## ADAPTATION FUND

AFB/PPRC.38/40  
20-21 October 2026

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Adaptation Fund Board  
Project and Programme Review Committee  
Thirty-eighth meeting  
Bonn, Germany, 20-21 October 2026

Agenda Item 6 h)

### **LOCALLY-LED ADAPTATION SINGLE COUNTRY PROPOSAL FOR SRI LANKA**

## Background

1. At its thirtieth meeting, having considered document AFB/B.30/5/Rev.1, the Adaptation Fund Board decided:

*(a) To adopt the medium-term strategy as amended by the Board, as contained in the Annex 1 of the document AFB/B.30/5/Rev.1 (the MTS); and*

*(b) To request the secretariat:*

*(i) To broadly disseminate the MTS and work with key stakeholders to build understanding and support;*

*(ii) To prepare, under the supervision of the MTS task force, a draft implementation plan for operationalizing the MTS, containing a draft budget and addressing key assumptions and risks, including but not limited to funding and political risks, for consideration by the Board at its thirty-first meeting; and*

*(iii) To draft, as part of the implementation plan, the updates/modifications to the operational policies and guidelines of the Adaptation Fund needed to facilitate implementation of the MTS, for consideration by the Board at its thirty-first meeting.*

*(Decision B.30/42)*

2. Pursuant to decision B.30/42, subparagraph b (ii), the secretariat prepared a draft implementation plan for the MTS, including an assessment of assumptions and risks. The secretariat shared a version of the draft with the MTS task force for comments.

3. The draft implementation plan also contains suggestions for specific funding windows that might be opened under the MTS in complement of the Fund's existing funding windows for single-country and regional adaptation projects and readiness support projects. Following the approval of the implementation plan, the secretariat would present specific proposed details for each new funding window at subsequent meetings of the Board for its consideration, in accordance with the timeline contained in the implementation plan.

4. At its thirty-first meeting, the Adaptation Fund Board discussed the draft implementation plan for the MTS, and members of the Board proposed amendments to the document. The secretariat then presented a revised draft, in document AFB/B.31/5/Rev.1. Having considered that document, the Board decided:

*(a) To approve the implementation plan for the medium-term strategy for the Fund for 2018–2022 contained in the Annex I to document AFB/B.31/5/Rev.1 (the plan);*

*(b) To request the secretariat:*

*[...]*

- (iii) *To prepare, for each proposed new type of grant and funding window, a specific document containing objectives, review criteria, expected grant sizes, implementation modalities, review process and other relevant features and submit it to the Board for its consideration in accordance with the tentative timeline contained in Annex I to document AFB/B.31/5/Rev.1, with input from the Board's committees;*
- (iv) *Following consideration of the new types of support mentioned in subparagraph (b)(iii), to propose, as necessary, amendments to the Fund's operational policies and guidelines Fund to better facilitate the implementation of such new types of support; and*

[...]

*(Decision B.31/32)*

5. Having recognized that there was a high level of interest among the Fund's stakeholders on Enhanced Direct Access (EDA), a specific funding window on EDA was included in the MTS implementation plan to complement the Fund's existing funding window for single-country projects.

6. At the second session of its thirty-fifth meeting the Board considered the document AFB/PPRC.26.b/18, Window for Enhanced Direct Access under the MTS and the Board decided:

- (a) To approve the pilot for projects submitted through the window for enhanced direct access (EDA) to promote EDA and further promote locally led adaptation under the Fund;*
- (b) That the pilot window to promote EDA projects/programmes shall be available to national implementing entities (NIEs) only, in the form of a grant up to a maximum of US\$5 million per country;*
- (c) That the window for EDA will not count against what the country could access under the country cap established by the Board for regular concrete projects/programmes;*
- (d) That the execution costs for proposals submitted under the EDA window should be up to a maximum of 12 per cent of the total project/programme budget requested before the implementing entity fees, and should not exceed 1.5 per cent in cases where the Implementing Entity has also taken on the role of Execution Entity for the proposed project/programme activities, and that the implementing entity fee should be up to a maximum of 10 per cent of the total project costs;*
- (e) That NIEs submitting proposals through the EDA window should do so using the existing approved proposal template and guideline materials for regular concrete projects/programmes nonetheless taking note of the project fees in subparagraph (d) and that EDA proposals submitted through the two-step project approval process are eligible for the project formulation grant and project formulation assistance grant as per the approved criteria by the Board for those grants;*
- (f) That the review cycle and approval of projects/programmes submitted through the EDA window shall follow the review and approval process as well as reporting*

*requirements for regular projects/programmes under the Fund notwithstanding adherence to subparagraph where it concerns the review and approval of project fees; and*

*(g) To request the secretariat to present to the PPRC at its twenty-eighth meeting, an analysis of the project review cycle for EDA projects including an update on the implementation status of the EDA window.*

*(Decision B.35.b/10)*

7. The Adaptation Fund Board adopted at its thirty-ninth meeting in October 2022 the medium-term strategy of the Adaptation Fund for the period 2023-2027 (MTS-II). The strategy introduced a special emphasis on promoting locally led adaptation (LLA) in the Fund's work and included a new cross-cutting theme to "Promote locally based and locally led adaptation action including by devolving access and decision-making on adaptation finance to national, subnational, and local levels."

8. Three modalities were proposed through Decision B.40/72 in March 2023:

*(a) Enhancing the existing Enhanced Direct Access window,*

*(b) Establishing a new Global MIE Aggregator programme for channeling grants for LLA to non-accredited entities,*

*(c) Opening the option for EDA-type national programmes for MIEs and RIEs.*

9. The Adaptation Fund Board at its forty-second board meeting in April 2024, considered the paper entitled 'Additional delivery modalities for expanding support to locally led adaptation' and the Board decided:

*Single country locally-led adaptation projects and programmes*

*a. To merge the window for enhanced direct access into an expanded and enhanced window for single-country locally led adaptation (LLA) projects/programmes as contained in paragraphs 37–42 of document AFB/PPRC.33/39;*

*b. That the window for single-country LLA projects/programmes will be available for access by eligible countries through national, regional or multilateral implementing entities, in the form of a grant of up to a maximum of US\$ 5 million per project;*

*c. That the window for single-country LLA programmes will continue to be financed outside the country cap established by the Board for regular concrete projects/programmes;*

*d. That single-country LLA proposals can be submitted through the three-step project approval process and are eligible for a project formulation grant (PFG) for a maximum of US\$ 150,000 as per the approved criteria by the Board for those grants;*

*e. That an additional PFG amount (inclusive of the management fee) can be provided on a case-by-case basis for LLA projects up to a maximum of US\$ 100,000, and that such amount should be dedicated to support activities that enable decision making by local actors over how adaptation actions are defined, prioritized, designed and implemented;*

- f. *That, for a PFG at the pre-concept stage, up to 20 percent of the maximum amount of the PFG set in subparagraphs (d) and (e) above could be granted;*
- g. *To approve the revised proposal template and project review sheet contained in annex 3 and annex 4 to document AFB/PPRC.33/39, respectively;*
- h. *To request the secretariat to develop instructions for preparing requests for proposals and additional guideline materials for projects/programmes under this window;*

[...]

**(Decision B.42/37)**

10. Having considered the recommendation of the Project and Programme Review Committee, the Board decided to include in its work programme for fiscal year 2027 a provision for an amount of US\$ 50 million for single country LLA grants (B.46/52).

11. The following concept note proposal document titled "*Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)*" was submitted for Sri Lanka by United Nations Human Settlements Programme (UN-Habitat), which is a Multilateral Implementing Entity of the Adaptation Fund.

12. This is the third submission of the concept note proposal using the two-step submission process.

13. The current submission was received by the secretariat in time to be considered in the forty-seventh Board meeting. The secretariat carried out three technical reviews of the project proposal, with the Project ID number AF00000510.

14. In accordance with a request to the secretariat made by the Board in its 10th meeting, the secretariat shared this review sheet with UN-Habitat and offered it the opportunity of providing responses before the review sheet was sent to the PPRC.

15. The secretariat is submitting to the PPRC the summary and, pursuant to decision B.17/15, the final technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section. In accordance with decision B.25/15, the proposal is submitted with changes between the initial submission and the revised version highlighted or with track changes.



ADAPTATION FUND

**ADAPTATION FUND BOARD SECRETARIAT**  
**TECHNICAL REVIEW OF PROJECT PROPOSAL FOR**  
**"BATTICALOA CLIMATE SMART ADAPTATION & RESILIENCE THROUGH ECOSYSTEMS (B-CARE)"**

**Project Title** Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)

**Project ID** AF00000510

**Category** LLA

**Type** Single country project

**Stage** Concept

**Country** Sri Lanka

**Implementing Entity** UNHAB

**Financing Requested** USD 5,000,000.00

**Reviewer** Neranda Chantal Maurice George

## Co-reviewer(s)

### IE Contact Person

Cerin Kizhakkethottam, Harshini Halangode, M.S.M. Aleem, Odicea Angelo Barrios, Roi Chiti, Tameez Bohoran

## Secretariat's Overall Comment

The proposal includes a Project Formulation Grant request of US \$143,220.

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.

The second technical review demonstrates that several issues remain concerning thoroughness in addressing LLA principles, strengthening sustainability, improving initial gender analysis, strengthening information on initial consultations, proper presentation of project components financing table and results framework alignment table and clarifying PFG executing entity as discussed in the remaining Clarification Requests (CRs) and Corrective Action Requests (CARs) in the review sheet.

The third technical review finds that all remaining CRs and CARs have been addressed.

## Country Eligibility

### Is the country party to the Kyoto Protocol and/or the Paris Agreement?

**Response:** Yes

**Secretariat:** N/A

### Is the country a developing country particularly vulnerable to the adverse effects of climate change?

**Response:** Yes

**Secretariat:** Batticaloa has been experiencing more frequent and intense climate shocks, including prolonged droughts, sudden heavy rainfall, floods, and saltwater intrusion. These events have disrupted daily life, damaged ecosystems, and reduced agricultural productivity.

## Project Eligibility

**Has the designated government authority for the Adaptation Fund endorsed the project/programme?**

**Response:** Yes

**Secretariat:** As per the Endorsement letter dated 9 February 2026.

TR1\_ 6 March 2026

**Does the length of the proposal amount to no more than fifty (50) pages for the Concept note project document, including its annexes?**

**Response:** Cleared

**Secretariat:** Yes.

TR1\_ 6 March 2026

**Response:** Cleared

**Secretariat:** Yes.

The re-submitted proposal is 50 pages long.

TR2\_ 28 July 2026

**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?**

**Response:** Not Cleared

**Secretariat:** 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.

TR1\_ 6 March 2026

**Response:** Not Cleared

**Secretariat:** CR1: Not cleared.

The updated table 2 with information linking the climate change impacts with the proposed interventions in the proposed project areas has been included in the resubmission and components have been updated and provides additional coherence. The beneficiary figures in table 6 and 7 are noted and the section addressing possible adverse impacts of adaptation measures. However please address the following:

1. Please amend the cost effectiveness section by updating table 5 to present indicative figures of the costs assumed to conclude that the alternative action is less cost effective.
2. On beneficiary numbers, although tables 6 and 7 present beneficiary numbers, please ensure alignment with paragraph 89 and indicate how the figures in the tables correspond to the total direct and total indirect figures represented there.

CR2: Not cleared.

The re-submitted proposal now clarifies the linkages between the components and the various activities including the inter-agency coordination which will include the meteorology department.

1. Addressed by Paragraphs 49- 50.
2. Addressed by paragraphs 50-51
3. Not addressed: “.. local hydrological connectivity. Is mentioned by the “how” has not been addressed.”
4. Not cleared: Please strengthen para 63 to indicate the justification for investing in basic rain-gauge as this is still not sufficiently clear.

CR3: Cleared.

Ecosystem-based and hybrid interventions.

CR4: Not cleared.

The proposal has been updated to reflect updated description of components outputs and activities at Part II section A. It includes additional information on how the community will be involved and how they will benefit from the various components of the project, the previous work such as V&A assessments which led to the identification of the proposed actions and additional information in tables 6, 7 and 8 on beneficiaries of the activities and the proposed implementation approach. However, for activities 1.1.3;1.1.4 and 1.2.2 please clarify how sustainability will be factored during and post implementation.

CR5: Cleared as per additional narrative.

CR6: Not cleared.

Amendments to Part II Section A has significantly approved the proposal. However, please address the following:

1. In the TOC narrative and table address AF strategic outcomes 2 and associated indicators as these are also covered in the results framework alignment table.
2. Please add output level budgeting in the project components and budgeting table – Table 3.
3. In the milestones calendar on page 15 please adjust the start date of the programme by incorporating time for PFG implementation.
4. Please indicate how activity 2.1.2 can address the challenges of delayed messages received by women which increases their vulnerability to climate risks identified in the proposal document.

CAR1: Not cleared.

1. See CR 6.(1) above.
2. Additionally, the LLA principles have not been incorporated in the TOC as requested in the initial review.

TR2\_28 July 2026

**Response:** Not Cleared

IE:

**Response:** Cleared

**Secretariat:** CR1: Cleared.

1. As per updated cost effectiveness table 11 on pages 28-30 with Estimated losses avoided / gains obtained (USD) and Sustainability perspective columns.
2. Beneficiary numbers have been clarified as per statement in paragraphs 72 and 93.

CR2:

3. Cleared:

Para 54 addresses local hydrological connectivity more clearly.

4. Cleared:

Para 66 strengthens the justification for rain gauges by including inter alia "Additional gauges will be located

where significant spatial or temporal monitoring gaps are identified, particularly in upstream of major catchments, which receives significant amount of rainfall yet, presently ungauged, smaller and interconnected catchments... "

CR4: Cleared. As per additional information on sustainability presented in Table 7 for activities 1.1.3; [To ensure long-term sustainability, Local Authorities (MC and UC) will integrate routine operation and maintenance of the upgraded drainage systems into their annual maintenance programmes, while community monitoring groups will continue reporting blockages and maintenance needs through established coordination mechanisms.]

1.1.4 [Following construction, Local Authorities (MC and UC) will incorporate inspection and maintenance of the upgraded structures into their routine asset management programmes, supported by community reporting and periodic monitoring to maintain drainage connectivity and functionality.] and 1.2.2 [The project will strengthen the technical and organizational capacity of Farmer Organizations to undertake routine operation and maintenance, while the Irrigation Department will provide periodic technical oversight to ensure the long-term functionality and climate resilience of the rehabilitated tanks.].

CR6: 1. Cleared.

The TOC narrative and table now address AF strategic outcomes 2.

2. Cleared.

Output level budgeting is now included in the project components and budgeting table 3. Cleared. Based on note in review sheet that project start incorporates PFG implementation.

4. Cleared. paragraph 67 now indicates how activity 2.1.2 can address the challenges of delayed messages received by women which increases their vulnerability to climate risks identified in the proposal document.

CAR1: Cleared. LLA principles incorporated in the TOC.

**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.**

**Response:** Not Cleared

**Secretariat:** 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.

TR1\_ 6 March 2026

**Response:** Not Cleared

**Secretariat:** CR7:Cleared.

Based on additional information presented in the proposal document.

CR8: Not cleared.

Additional information in the proposal is noted however, please note need to strengthen information on how indigenous groups were consulted for the concept note development and how those were incorporated in the concept note document.

CAR2: Cleared.

As per addition information provided in the proposal including at paragraphs 103-109, 111 and tables 14 and 17.

TR\_ 28 July 2026

**Response:** Not Cleared

**IE:**

**Response:** Cleared

**Secretariat:** CR8: Cleared. As per added row 9 of table 16.

**Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund? 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?

**Response:** Not Cleared

**Secretariat:** 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 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.

TR1\_ 6 March 2026

**Response:** Not Cleared

**Secretariat:** CR9: Not cleared.

Please further strengthen paragraphs 83-85 and table 9 to present quantitative \$ value justification for the information presented, as relevant.

CAR3: Cleared.

As per activity 1.2.1 para 57.

CAR4: Not cleared.

Please strengthen information related to indigenous people and other vulnerable groups.

TR2\_28 July 2026

**Response:** Not Cleared

**IE:**

**Response:** Cleared

**Secretariat:** CR9: Cleared.

As per paragraphs 87-89 and updated table 11

CAR4: Cleared.

As per information provided on indigenous people and other vulnerable groups at table 16 row 9 and at para 116.

### Is the project / programme cost effective?

**Response:** Not Cleared

**Secretariat:** 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.

TR1\_6 March 2026

**Response:** Not Cleared

**Secretariat:** CR10: Not cleared.

The additional information presented at Section H including table 10 and that full cost effectiveness will be presented at fully developed proposal stage. However, for this stage, please refer to CR1 sub- bullet 1 and address.

TR2\_26 July 2026

**Response:** Not Cleared

**IE:**

**Response:** Cleared

**Secretariat:** CR10: Cleared. As per table 11.

### 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?

**Response:** Not Cleared

**Secretariat:** 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.

TR1\_6 March 2026

**Response:** Not Cleared

**Secretariat:** CR11: Cleared.

As per inclusion of table 11 in proposal and the updated narrative.

CR12: Not cleared.

Please insert an additional column at table 11 to demonstrate alignment with each of the 8 LLA principles.

CAR5: Cleared.

As per table 11.

TR2\_ 28 July 2026

**Response:** Not Cleared

**IE:**

**Response:** Cleared

**Secretariat:** CR12: Cleared.

As per insertion on additional column on LLA principles at table 12.

**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?**

**Response:** Pending

**Secretariat:** 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.

TR1\_6 March 2026

**Response:** Cleared

**Secretariat:** CR13: Cleared.

As per updated Section E and Table 12.

CAR6: Cleared.

As per Table 12.

TR2\_28 July 2026

**Is there duplication of project / programme with other funding sources? Does the project enhance collaboration across sectors and enhance efficiencies and good practice?**

**Response:** Not Cleared

**Secretariat:** 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 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.

TR1\_6 March 2026

**Response:** Cleared

**Secretariat:** CR14: Cleared.

As per updated section F and table 13.

**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?**

**Response:** Cleared

**Secretariat:** 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

TR1\_6 March 2026

**Response:** Cleared

**Secretariat:** CR15: Cleared.

As per updated Section G and Table 14.

CAR7: Cleared as per table 14.

TR2\_28 July 2026

**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?**

**Response:** Not Cleared

**Secretariat:** 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.

TR1\_6 March 2026

**Response:** Not Cleared

**Secretariat:** CR16:Not cleared.

The information presented at Section H, including new column to table15 has improved the section including demonstrated consultation with women. However, in addition to CR 12: above,

1. please be sure to demonstrate how principle 2 in particular if and how indigenous people and vulnerable groups were consulted as this is not currently demonstrated through the information presented for the

consultations.

2. Please indicate which CSOs and which farmer organizations were consulted for the June 18th 2025 consultations.

3. "Returnee populations" are also referred to in section I, however, the consultations do not indicate how those were consulted. Please updated table 15 to reflect all the groups indicated in bullets 1-3.

TR2\_28 July 2026

**Response:** Not Cleared

IE:

**Response:** Cleared

**Secretariat:** CR16: Cleared.

As per Table 16.

### Is the requested financing justified on the basis of full cost of adaptation reasoning?

**Response:** Not Cleared

**Secretariat:** 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.

TR1\_6 March 2026

**Response:** Not Cleared

**Secretariat:** CAR10: Not cleared.

The amendments to section I are well noted. However, to comply with the full cost of adaptation reasoning, at paragraph 115, please indicate clearly that the AF resources requested for the specified actions in this proposal are sufficient to meet the full costs of these actions.

TR2\_28 July 2026

**Response:** Not Cleared

**IE:**

**Response:** Cleared

**Secretariat:** CAR10: Cleared.

As per insertion at paragraph 119.

### Is the project / program aligned with AF's results framework?

**Response:** Pending

**Secretariat:**

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)

TR1\_6 March 2026

**Response:** Not Cleared

**Secretariat:** CAR11: Not cleared.

1. Please update 19 to ensure that the upper part of the table also presents AF outcomes areas 2 and 3 to match the bottom part of the table.
2. Please ensure that the grant amount is presented at the indicator level for both the top and the bottom of the table without lumping costs for multiple indicators.

Please note that the AF SRF 2026 has been published all new proposals should now adhere to the new SRF. Please amend the core indicators, results framework and the results framework alignment table utilizing the same which is available at <https://www.adaptation-fund.org/document/strategic-results-framework-guidance-2026/>

<https://www.adaptation-fund.org/document/alignment-with-adaptation-fund-results-framework-template-and-guidance-dec-2025/>

CAR12: Cleared.

As per updated results framework alignment table.

TR2\_ 28 July 2026

**Response:** Not Cleared

**IE:**

**Response:** Cleared

**Secretariat:** Cleared.

As per updated Table 20 results framework alignment table.

**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?**

**Response:** Not Cleared

**Secretariat:** 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.

TR\_ 6 March 2026

**Response:** Not Cleared

**Secretariat:** CR17: Not cleared.

Paragraphs 24 and 25 of the project document identifies some issues that reverse any gains made by the project however these are not sufficiently addressed in the project document. Please address at Part II section J.

CR18: Cleared

As per information presented at Part III. With the fully developed proposal this section should be further elaborated.

CR19: Cleared. As per table 17.

CR20: Cleared. As per table 17.

TR2\_26 July 2026

**Response:** Not Cleared

**IE:**

**Response:** Cleared

**Secretariat:** CR17: Cleared.

As per insertions at paragraph 124, and 127-130

**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?**

**Response:** Not Cleared

**Secretariat:** 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

TR1\_6 March 2026

**Response:** Not Cleared

**Secretariat:**

CAR13: Cleared.

As per risk category identification in Part III A.

CAR14: Cleared as per updated Part III.

CAR15: Not cleared.

1. In table 18 please remove “no risk” and replace with an ‘X’ or checkmark on ESP8 at column 2.
2. At Part II paragraph 135 and at Part II Section K please address USPs as per Guidance Document for Project/Programme with Unidentified Sub-Projects

CAR16: Cleared.

As per updated table 16.

CAR17: Not cleared.

The initial gender assessment is still very broad. It identifies issues faced by women and indigenous people at paragraphs 38 and 39, however, the initial gender assessment stops short of providing sufficient qualitative and quantitative data for gender roles, activities, needs, and more importantly available opportunities and challenges or risks for men and women relevant to the project and how the project proposes to address those.

TR2\_28 July 2026

**Response:**

Not Cleared

IE:

**Response:**

Cleared

**Secretariat:** CAR15: Cleared.

As per para 132 on USPs and amendment to Risk table 19.

CAR17: Cleared.

As per updated initial gender assessment.

## Resource Availability

**Is the requested project / programme funding within the size for LLA single country grants?**

**Response:**

Cleared

**Secretariat:** Yes.

TR1\_6 March 2026

**Is the Implementing Entity Management Fee at or below 8.5% per cent of the total project/programme budget before the fee?**

**Response:** Cleared

**Secretariat:** Yes. The IE fee is at 8.5% of the total project amount.

TR1\_ 6 March 2026

**Are the Project/Programme Execution Costs at or below 9.5% per cent of the total project/programme budget (including the fee)?**

**Response:** Not Cleared

**Secretariat:** 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)

TR1\_6 March 2026

**Response:** Not Cleared

**Secretariat:** CAR18: Cleared.

The project costs are now accurately captured in the proposal document.

CAR19: Not Cleared.

The PFG form has been included with the re-submission, however,

1. Please clarify if the intention is for the PFG to be executed by UN-Habitat or if it is intended to be executed by those currently listed in the PFG: District Secretariat Batticaloa, selected Local Authorities (MC &UCs), Village Disaster Management Committees and Farmer organizations. Please update the PFG form if UN-Habitat will execute the PFG. Please note that all EE names in the PFG, if not UN-Habitat need to be specific. The form cannot include general terms such as " Local Authorities/ DMCs/ MC and UCs". The specific authority legal name needs to be included OR the IE should be named EE.

TR2\_28 July 2026

**Response:** Not Cleared

**IE:**

**Response:** Cleared

**Secretariat:** CAR19: cleared.

As per updated PFG form.

## Eligibility of IE

**Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?**

**Response:** Not Cleared

**Secretariat:** No. UN-Habitat is under reaccreditation.  
Accreditation Expiration Date is 01 October 2025.

TR1\_6 March 2026

**Response:** Cleared

**Secretariat:** Accreditation status: Accredited (Special extension per Decision B.46/9)

TR2\_28 July 2026



ADAPTATION FUND

**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](mailto:submissions@adaptation-fund.org)



## LOCALLY-LED ADAPTATION PROJECT/PROGRAMME PROPOSAL FOR SINGLE COUNTRY

### PART I: PROJECT/PROGRAMME INFORMATION

**Title of Project/Programme:** Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (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 (MoE)  
District Secretariat Batticaloa

Batticaloa Municipal Council (MC),  
Kattankudy Urban Council (UC)  
Eravur Urban Council (UC), Selected Local Authorities (LAs) (Municipal Councils (MC)  
& Urban Councils (UC))  
Village Disaster Management Committees (VDMCs)  
Farmer organizations

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**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 ☒ 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: 4216.0207.2026

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

## Project / Programme Background and Context:

### Background and country context

1. Sri Lanka, an island nation with an extent of 65,610 km<sup>2</sup>, and due to a combination of political, geographical, and social factors is recognized as one of the most vulnerable countries to climate change impacts<sup>1</sup>. Whilst recovering from an economic crisis Sri Lanka continues to incur significant ongoing climate related losses estimated at USD 380 million (0.4% of GDP) projected to grow to 3.5% of GDP by 2050<sup>2</sup>. Since 2011, high-impact disasters have occurred regularly, affecting an average of over 1 million people per year<sup>3</sup>. From 2008 to 2014, 35 climate related disasters were recorded, while from 2015 to 2022 this surged to 304 instances<sup>4</sup>. Vulnerability is further compounded by settlement patterns of Sri Lanka's population of 21.7 million<sup>5</sup>, nearly 50% reside predominantly in the dry zone and coastal areas where exposure to climate hazards such as flash floods and prolonged droughts, continuously disrupt livelihoods and the economy<sup>6</sup>.

2. The most recent disaster, Cyclone Ditwah which made landfall on 28 November 2025 saw unprecedented destruction in all 25 Districts of the country, with 8 districts including Batticaloa reporting severe damages<sup>7</sup>. The total economic loss is estimated to be around USD –1.4 billion – this is more than the country's foreign reserves<sup>8</sup>. Notably, the country had just begun to take steps towards economic recovery, following cumulative shocks of terrorist attacks (2019), shocks of the pandemic (2020) and followed by an economic crisis (2022) which has had compounding impacts on vulnerable communities. The Government of Sri Lanka 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 natural buffers, including wetlands, mangroves, and natural drainage, combined with urban planning and land use and management plans is imperative for disaster risk reduction.

3. 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 interplay 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 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.

4. 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<sup>9</sup>. These figures underscore the scale of climate-induced loss and damage, particularly non-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.

5. 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<sup>10</sup>. 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<sup>11</sup>. 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.

<sup>1</sup> Climate Risk Country Profile, Sri Lanka 2020, The World Bank Group and the Asian Development Bank.

<sup>2</sup> Country Climate and Development Report, Sri Lanka 2025, World Bank Group

<sup>3</sup> Evidence of Climate Change Impacts in Sri Lanka, A review of Literature, 2024, Sri Lanka Journal of Economic Research.

<sup>4</sup> Country Profile: Sri Lanka, 2023, Internal Displacement Monitoring Centre.

<sup>5</sup> Housing\_Report\_-\_CPH\_2024\_-\_Final\_compressed.pdf

<sup>6</sup> 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

<sup>7</sup> Humanitarian Priority Plan – Cyclone Ditwah 2025 [https://srilanka.un.org/sites/default/files/2025-12/FINAL%20LKA\\_HumanitarianPrioritiesPlan\\_pub20251211.pdf](https://srilanka.un.org/sites/default/files/2025-12/FINAL%20LKA_HumanitarianPrioritiesPlan_pub20251211.pdf)

<sup>8</sup> Post Disaster Needs Assessment, Cyclone Ditwah, Sri Lanka, March 2026.

<sup>9</sup> Socioeconomic Resilience in Sri Lanka Natural Disaster Poverty and Wellbeing Impact Assessment, 2019, World Bank

<sup>10</sup> Climate Risk Country Profile, 2021, The World Bank Group and the Asian Development Bank.

<sup>11</sup> First Biennial Transparency Report of Sri Lanka submitted to the United Nations Framework Convention on Climate Change (UNFCCC).2024, Climate Change Secretariat, Ministry of Environment

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## The Programme, Project area and target groups

6. The programme aims to address climate-related vulnerabilities threatening livelihoods, health, and ecosystems in Batticaloa District through an integrated, locally led adaptation approach. It combines Nature-based Solutions (NbS), hybrid adaptation measures, and resilience-building interventions to reduce flood and drought risks while strengthening ecosystem functions and local adaptive capacity. NbS will restore Thona drainage networks, wetlands, riparian buffers, and small water bodies, while hybrid measures will integrate ecosystem restoration with climate-resilient infrastructure to improve water management, flood resilience, and water security. Climate information services, hydrological monitoring, flood forecasting, early warning systems, and institutional capacity strengthening will enhance climate risk management and preparedness.

7. The project will empower local communities and institutions to identify priorities, co-design, implement, and monitor adaptation actions through inclusive governance mechanisms. By combining scientific knowledge with indigenous and traditional water management practices, the project will strengthen local decision-making, enhance resilience, and generate lessons for replication and scaling across other climate-vulnerable landscapes in Sri Lanka.

### Climate vulnerabilities in Batticaloa District

8. The proposed project will be implemented in Batticaloa District, one of Sri Lanka's most climate-vulnerable coastal regions and an area where communities are already experiencing the growing impacts of climate change. Located in the eastern dry zone, the district is characterized by low-lying coastal landscapes, sensitive lagoon and watershed systems, and a high dependence on climate-sensitive livelihoods such as agriculture and fisheries. The dry zone of Sri Lanka receives about 900–1,750 mm of annual rainfall, concentrated during the Northeast Monsoon (October–January), with a prolonged dry season lasting several months. Agriculture, livelihoods, and water resources are highly dependent on seasonal rainfall and an extensive network of ancient irrigation tanks and canals. Additionally, the district is highly exposed to flood hazards as its rainfall is strongly influenced by low-pressure systems, depressions, and tropical cyclones that develop over the Bay of Bengal. These climate drivers result in frequent and severe floods, prolonged droughts, and other climate-related hazards that threaten livelihoods, infrastructure, agriculture, and ecosystem health, making local communities highly exposed to climate variability and extreme weather events

9. In recent years, Batticaloa has been experiencing more frequent and intense climate shocks, including prolonged droughts, sudden heavy rainfall, floods, and saltwater intrusion. These events have disrupted daily life, damaged ecosystems, and reduced agricultural productivity. According to the Multidimensional Vulnerability Index<sup>12</sup>, about 61.9% of the district's population has limited adaptive capacity, highlighting the scale of exposure to climate-related disasters. Rainfall variability and unpredictable monsoon patterns have further intensified vulnerability.

10. The district's climate vulnerability is further compounded by the degradation of natural ecosystems, including wetlands, lagoons, river corridors, and natural drainage systems, which have reduced their capacity to regulate floods and droughts, store water, and provide essential ecosystem services. Consequently, local communities in the district have limited climate adaptive and resilient capacity and remain highly vulnerable to the increasing impacts of climate change.

### Increase in extreme rainfall intensity and flood frequency

11. Batticaloa was one of the hardest hit districts by Cyclone Ditwah causing extensive damage to critical infrastructure including water systems, roads and bridges, resulting in significant challenges in accessing emergency services and supplies. With the onset of the North-East monsoon which started on 4 December 2025, the already saturated land had no absorption capacity. Batticaloa remains highly susceptible to recurring floods due to its low-lying topographical features, aggravated by poor land use practices<sup>13</sup>. The maximum one-day and five-day precipitations from 2010-2015 recorded an increase of 60% compared to the 30 years average). Being one of the largest rice production Districts of the country, rice production losses during the seasons of 2010–2011, 2012–2013, and 2014–2015 amount 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 have severely contributed to ongoing livelihood vulnerability. Analysis of data and information from 2015 to 2025 of Batticaloa shows an increase in climate related flood impact on the daily lives of people (Table 1).

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<sup>12</sup> undp\_multidimensional\_vulnerability\_report\_sri\_lanka.pdf

<sup>13</sup> Investigation of River-Lagoon-Flood Nexus Under Climate Change: The Case of Batticaloa Lagoon and Connected River System, Sri Lanka [https://www.pwri.go.jp/icharm/training/master/img/2024/synopses/11\\_Mauran.pdf?utm\\_source=copilot.com](https://www.pwri.go.jp/icharm/training/master/img/2024/synopses/11_Mauran.pdf?utm_source=copilot.com)

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

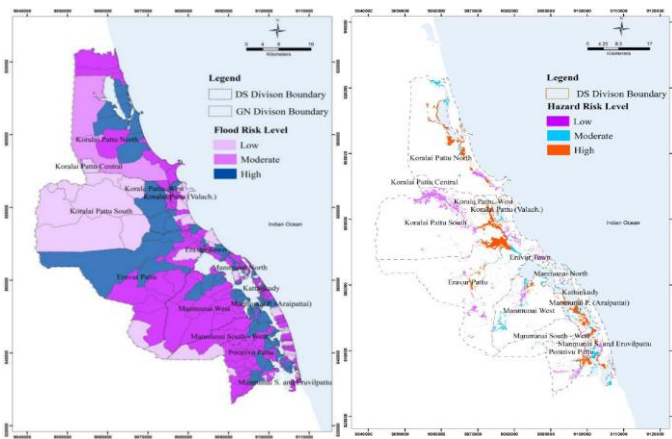


Figure 1- Flood Risk Level and Hazard Risk Level.

12. Recent research<sup>14</sup> shows an upward trend in both the severity and frequency of extreme precipitation (fig.2). Moreover, the pattern of precipitation shows increased irregularity.

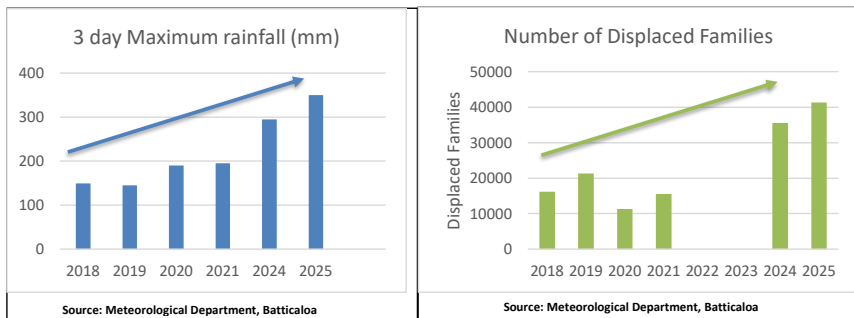


Figure 222: Pattern and Impact of extreme precipitation in Batticaloa. (Left side- 3 day rainfall event, right side- No. of persons displaced) Source: Regional Meteorological Office, Meteorological Department, Batticaloa

<sup>14</sup> 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.

### Increase in frequency of prolonged drought conditions

13. Batticaloa also stands out as one of Sri Lanka's most drought vulnerable districts and prioritizing it for adaptive interventions is both evidence-based and strategically critical<sup>15</sup>. 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<sup>16</sup>. As a result, thousands of families face recurring hardships, including water security, reduced agricultural productivity, disrupted livelihoods, debt cycles and heightened food insecurity.

14. 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 vulnerable groups such as female-headed households, elderly and the disabled. The district also presents an enabling environment for intervention, with LAs committed to driving transformative adaptation, supported by strong climate policy frameworks, and communities motivated to participate, creating favorable conditions for effective and sustainable implementation.

15. 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<sup>17</sup>.

### Vulnerability to Sea Level Rise and Saltwater Intrusion

16. Batticaloa District is highly vulnerable to sea level rise and saltwater intrusion due to its low-lying coastal plain and lagoon-based hydrology. The Batticaloa Lagoon (~168 km<sup>2</sup>) enables tidal water movement inland, increasing salinity in nearby soils, irrigation canals, and groundwater systems, especially during dry periods.

17. Studies show saltwater intrusion can affect land up to ~100 m from lagoon edges, reducing freshwater availability and paddy suitability in coastal zones<sup>18</sup>, while disrupting aquaculture systems. At a broader scale, research indicates over 50% of coastal agricultural land in Sri Lanka is affected by salinity intrusion, including Batticaloa<sup>19</sup>.

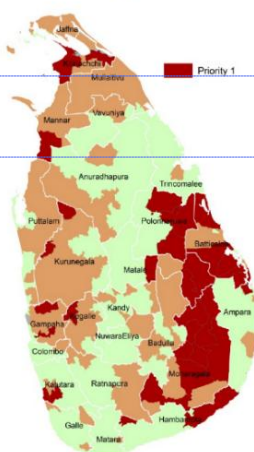
18. Batticaloa has about 70,000–90,000 ha of paddy land, of which an estimated 35,000–45,000 ha is vulnerable or already affected by salinity intrusion, particularly in lagoon-connected irrigation areas.

### Ecosystem Degradation:

19. Batticaloa contains an interconnected network of major and minor irrigation tanks, village irrigation systems, wetlands, lagoons, and traditional Thona drainage channels that historically regulated water flows, reduced flood and drought impacts, supported agriculture and fisheries, and sustained ecosystem-based livelihoods. These systems have played an important role in maintaining water security and supporting climate-resilient livelihood activities, particularly for farming and fishing communities.

20. Over time, these interconnected natural and engineered systems have become increasingly degraded due to fragmented management, inadequate maintenance, sedimentation, encroachment, invasive plant species, and pollution. As a result, wetlands, irrigation tanks, and Thona networks have lost their capacity to regulate water flows, retain floodwater, store water during dry periods, recharge groundwater, and support

Priority areas for early response as of 14 January



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Figure 33: Priority Areas for Early Response. Source: WFP/GoSL, 2017

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<sup>15</sup> National Drought Plan for Sri Lanka, 2020. Ministry of Environment, Sri Lanka

<sup>16</sup> Drought and Forest Fire Contingency Plan, 2021. Disaster Management Center, Sri Lanka.

<sup>17</sup> District Development Plan 2024-2028. District Secretariat, Batticaloa, Sri Lanka.

<sup>18</sup> University of Peradeniya soil salinity study, SLJOL

<sup>19</sup> ICAR – Journal of Soil Salinity & Water Quality

biodiversity. The degradation of these systems has increased climate risks by intensifying flooding, reducing agricultural productivity, affecting fisheries resources, increasing water insecurity, and undermining the livelihoods and adaptive capacity of vulnerable communities.

21. The Disaster Management Centre (DMC), Batticaloa has mapped around 55 Thonas that form part of this wider flood-regulation network. Thonas are particularly important because they provide the natural hydrological connection between upstream catchments, irrigation systems, wetlands, Batticaloa Lagoon, and the sea. Maintaining this connectivity enables efficient drainage during intense rainfall, improves water circulation, reduces prolonged flooding, and supports aquatic habitats and fisheries.

22. Importantly, these naturally occurring and semi-engineered systems do not function in isolation; they are hydrologically interconnected. Therefore, a comprehensive hydrological study is required to assess connectivity, flow dynamics, and restoration needs to improve the functionality and resilience of the entire drainage -wetland network.

**Key Root Causes of Climate Vulnerability**

23. Batticaloa District experiences high climate vulnerability due to the combined effects of increasing hydro-meteorological hazards, degraded ecosystem functions, socioeconomic fragility, and institutional capacity limitations. These vulnerabilities are further intensified by poverty, post-conflict recovery challenges, and dependence on climate-sensitive livelihoods. The following interconnected root causes justify the urgent need for adaptation investments in the district.

24. Rapid settlement growth and obstruction of natural drainage pathways have increased flood exposure. Batticaloa experienced a nearly 60% increase in extreme rainfall events between 2010–2015 compared to historical averages, contributing to severe flooding and displacement<sup>20</sup>.

25. Responsibilities for flood management, irrigation, disaster management, land-use planning, and ecosystem management are fragmented across multiple agencies, limiting integrated climate adaptation planning and long-term maintenance capacity<sup>21</sup>.

26. In addition, communities in Batticaloa are still recovering from the long-term socio-economic impacts of nearly three decades of civil conflict, which weakened infrastructure, institutional systems, and local resilience capacities.

27. Existing forecasting systems lack localized hydrological monitoring and community-level early warning dissemination systems needed for flood-prone micro-watersheds in Batticaloa<sup>22</sup>.

28. Female-headed households, indigenous communities, older persons, persons with disabilities, and conflict-affected populations face disproportionate climate risks due to poverty, limited livelihood diversification, and restricted access to resources and decision-making systems. Women's labor force participation in Batticaloa remains low at 28.7%, reducing economic resilience<sup>23</sup>.

29. The climate risk profile of Batticaloa is shaped by interacting monsoon variability, sea level rise, and increasing hydro-meteorological extremes. Intensification of heavy rainfall during the Northeast Monsoon (NEM), combined with reduced drainage capacity, is already exceeding historical flood thresholds, consistent with Intergovernmental Panel on Climate Change (IPCC)<sup>24</sup> projections of increased extreme precipitation across South Asia. This results in more frequent flooding, longer inundation, and growing impacts on agriculture, infrastructure, and settlements.

30. At the same time, greater rainfall variability and longer dry spells are creating alternating flood–drought conditions, particularly affecting tank irrigation and lagoon-based hydrological systems where water storage–release cycles are becoming less reliable. Sea level rise (0.44–0.77 m by 2100 under SSP scenarios<sup>25</sup>) is further increasing saline intrusion into coastal aquifers and agricultural lands. When combined with ongoing ecosystem degradation and blockage of Thona drainage networks, these interacting hazards significantly weaken natural buffering systems and amplify overall climate vulnerability. The following table summarizes these key climate hazards, current impacts, and projected changes for Batticaloa.

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20 Department of Meteorology Sri Lanka: Climate Risk Country Profile Sri Lanka, World Bank & ADB 2021

21 Sri Lanka National Adaptation Plan: Batticaloa District Development Plan 2024–2028

22 Disaster Management Centre Sri Lanka: WMO Community Early Warning Guidelines

23 UNDP Sri Lanka Vulnerability Assessment 2023: Department of Census and Statistics Sri Lanka

24 IPCC AR6 WG1, 2021: World Bank, 2021

25 IPCC AR6 WG1, 2021: World Bank, 2021

**Table 2: Climate Impact Summary Table for Batticaloa District**

| Climate Hazard                                                  | Current Impacts                                                                                                                                                                                                                                                                                                                                                                                                        | Projected Future Impacts                                                                                                                                                                                                                                                                                                                                                                   | Affected Systems                                                                     | Proposed Adaptation Response                                                                                                            |
|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <b>Northeast Monsoon (NEM) variability and extreme rainfall</b> | Intense monsoon rainfall causes recurrent flooding, prolonged inundation, urban and rural livelihood disruption, crop losses, debt trap cycle, and damage to settlements and infrastructure.<br><br>Regular destruction of paddy crops due to riverine and flash flooding (e.g., 75.8% from 2010–2011, 5.3% from 2012–2013, and 16.6% from 2014–2015).                                                                 | IPCC AR6 (WG1, 2021) projects very likely increase in heavy precipitation intensity in South Asia. In Sri Lanka's Eastern Province, particularly Batticaloa's low-lying lagoon–floodplain system, this translates into more frequent high-intensity rainfall events, drainage exceedance, and increased frequency of floods.                                                               | Settlements, roads, drainage networks, agriculture, Thona-type canals                | Restoration of drainage/Thona systems, flood forecasting, riparian buffer restoration, rehabilitation of natural waterways              |
| <b>Drought and rainfall variability</b>                         | Recurrent flooding and drought affecting around 100,000 people annually, with significant rice yield losses and declining agricultural land productivity.                                                                                                                                                                                                                                                              | Projected increase in inter-annual rainfall variability and longer dry spells under RCP4.5–SSP2 scenarios. In Dry/Intermediate Eastern Sri Lanka, this increases evapotranspiration and reduces reliability of minor irrigation systems.                                                                                                                                                   | Agriculture, irrigation tanks, groundwater systems                                   | Rehabilitation of minor/major tanks, watershed restoration, improved irrigation efficiency                                              |
| <b>Bay of Bengal depressions and tropical cyclones</b>          | Seasonal depressions and cyclones generate extreme rainfall, flooding, coastal inundation, and infrastructure damage.                                                                                                                                                                                                                                                                                                  | Warmer sea surface temperatures are projected to increase extreme rainfall associated with tropical cyclones and depressions, although overall cyclone frequency remains uncertain. This is expected to increase flood severity and compound coastal hazards in Batticaloa.                                                                                                                | Coastal settlements, lagoons, fisheries, transport infrastructure, agriculture       | Multi-hazard early warning systems, climate-resilient infrastructure, ecosystem-based coastal protection, and community preparedness.   |
| <b>Sea level rise and saline intrusion</b>                      | Saltwater intrusion affecting lagoon-adjacent agriculture and groundwater, lagoon ecosystems, particularly during prolonged dry periods. Salinity intrusion reported up to ~100 m inland from lagoon edges, impacting paddy fields and affecting approximately 35,000 ha of agricultural land                                                                                                                          | Sea level rise (projected at 0.44–0.77 m by 2100 under SSP2-4.5 to SSP5-8.5) is expected to intensify saline intrusion into coastal aquifers and lagoon systems, particularly in low-lying deltaic and lagoon-dominated landscapes such as Sri Lanka's Eastern Province, reducing freshwater availability, soil productivity, and irrigation reliability. <sup>26</sup>                    | Lagoons, coastal agriculture, shallow aquifers, settlements                          | Saltwater intrusion barriers, mangrove restoration, ecosystem-based coastal buffers                                                     |
| <b>Rising temperatures and heat stress</b>                      | Increasing temperatures reduce labour productivity, increase crop water demand, and exacerbate water scarcity.                                                                                                                                                                                                                                                                                                         | Mean temperatures across Sri Lanka are projected to continue increasing throughout the 21st century under all emissions scenarios; with mid-century (2040–2059) average temperature increases of approximately 1.0–1.8°C under intermediate emissions scenarios (RCP4.5/SSP2-4.5), accompanied by higher evapotranspiration, increased heat stress, and greater agricultural water demand. | Agriculture, livelihoods, public health, ecosystems                                  | Nature-based cooling, ecosystem restoration, climate-smart agriculture, and improved climate information services.                      |
| <b>Ecosystem Degradation</b>                                    | Wetland loss, mangrove and riparian degradation, and reduced hydrological connectivity across lagoon–tank–natural canal systems have resulted in substantial obstruction of natural drainage corridors in urban and peri-urban areas, with encroachment, infilling of minor canals, and blocked surface runoff pathways contributing to reduced flood conveyance efficiency and increased localized flooding frequency | Further decline in ecosystem functionality and natural buffering capacity; reducing resilience to all hydro-climatic hazards.                                                                                                                                                                                                                                                              | Wetlands, mangroves, lagoons, riparian zones, natural canals, biodiversity corridors | Ecosystem-based restoration of hydrological connectivity, wetland rehabilitation, mangrove restoration, integrated watershed management |

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<sup>26</sup> IPCC AR6 WG1, 2021; World Bank, 2021

### **Avoidance of Maladaptation**

31. To ensure the project does not create unintended negative impacts, all interventions will be designed in a way that is consistent with the natural functioning of Batticaloa's interconnected river-lagoon-drainage system. Planning will consider future climate changes, including more intense rainfall, frequent flooding, prolonged dry periods, and increasing saltwater intrusion. Beyond technical assessments, both the community and institutional capacity will be enhanced to ensure that interventions are locally led and do not negatively impact already vulnerable community members.

32. The project will avoid maladaptation, such as shifting flood risks from one area to another through poorly designed drainage works, or mismanaging canals in a way to avoid disrupting the natural flow between rivers, lagoons, wetlands, and drainage channels. It will also avoid infrastructure that is difficult to maintain or not suitable for local conditions.

33. Instead, the project will focus on ecosystem-based adaptation (EbA), restoring and strengthening natural systems such as wetlands, riparian buffers, and natural drainage corridors, combining them with appropriate small-scale engineering solutions where necessary. A Project Formulation Grant (PFG) will be used to carry out detailed technical and hydrological assessments to ensure that all interventions are properly designed based on site-specific conditions and community needs.

34. A safeguards and adaptive management system will be applied to avoid unintended impacts over time, including iterative design review, community validation, and technical oversight to ensure interventions remain climate-resilient and do not create new vulnerabilities.

35. Operation and maintenance responsibilities will be embedded within local authority systems and supported by VDMCs, farmer organizations, and community groups to ensure continuous management of restored systems and prevent maladaptive outcomes such as blockage, neglect, or system failure.

36. Continuous monitoring and feedback mechanisms will be established through local government and community coordination structures, supported by climate information systems and early warning feedback loops. This will allow early detection of unintended impacts and enable corrective actions, ensuring adaptive management throughout the project lifecycle.

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## Initial Gender Assessment

37. The project fully complies with the Gender Policy of the Adaptation Fund. Women and other vulnerable social groups were engaged in concept design from the outset through multilevel stakeholder consultations. The initial gender assessment incorporates both qualitative and quantitative data to establish gender roles, activities, needs, risks, and project-supported opportunities across the project landscape.

## Gender Vulnerability in Batticaloa District

38. 52.04% of the population of Batticaloa District in 2024 are women<sup>27</sup>, while 71.3% live in rural settlements. Moreover, the district records the highest number of **Women Headed Households (WHH)**<sup>28</sup>, a lasting impact of the 26-year civil war<sup>29</sup>. During extreme climate events, women are among the most vulnerable segments of society to be impacted<sup>30</sup>.

39. The female labour force participation rate is low (28.7%) in Batticaloa District<sup>31</sup>, as 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 families at further risk of death and injury.

40. Climate impacts affect women and men differently because of their different roles, access to resources and participation in decision-making. Men are predominantly engaged in commercial agriculture, fisheries, manual labour and other income-generating activities, while women undertake a greater share of unpaid domestic and caregiving work, household water collection, small-scale agriculture and home gardening. Men therefore face greater direct livelihood and occupational exposure, while women face additional risks related to caregiving, water security, delayed early warnings, evacuation and limited access to income and decision-making. The project addresses these differences through livelihood opportunities for both women and men and targeted measures to improve women's access to information, skills, project resources and decision-making. Women face unique challenges due to their primary role as caretakers of the households. When disasters occur, women face the extra burden of having 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, water shortages in many areas (even for shorter dry periods) is a common phenomenon<sup>32</sup> with people having to rely on emergency water distribution. Therefore, women and girls are compelled to fetch water by travelling long distances at night, exposing themselves to further climate hazards personal safety, limiting opportunities for economic participation. 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.

41. Batticaloa District has recorded 16.2% population below the official poverty line which is comparatively high in Sri Lanka<sup>33</sup>. Approximately 30% of the households rely on the agricultural industry as their main source of income in Batticaloa<sup>34</sup> and over 45.5% of the district's land is used for agriculture<sup>35</sup>. Poverty among agricultural rural settlements of Batticaloa severely impact women who are burdened with compromised decisions to meet the household's basic needs, including food<sup>36</sup>. Climate-related agricultural losses therefore have household-level

<sup>27</sup> District Population 2024, Department of Census, Sri Lanka

<sup>28</sup> [FemaleHeadedHouseholdsBySector.ProvinceAndDistrict2016.pdf](#) (2019)

<sup>29</sup> [FemaleHeadedHouseholdsBySector.ProvinceAndDistrict2016.pdf](#) (2019)

<sup>30</sup> <https://www.iwmi.org/blogs/climate-change-and-a-national-economic-crisis-are-overworking-rural-women/>

<sup>31</sup> [LFS2023.pdf](#)

<sup>32</sup> [Climate Vulnerability Risk Assessment in Eastern Province and Guidance for Capacity Development of Local Governments on Assessing Climate Change Vulnerability, 2023, UNDP Sri Lanka.](#)

<sup>33</sup> [Household Income and Expenditure Survey, 2019, Department of Statistics, Sri Lanka.](#)

<sup>34</sup> [Labour Force Survey Annual Bulletin-2021, Department of Census and Statistics, Sri Lanka](#)

<sup>35</sup> [Statistical Information – 2021, Ministry of Agriculture, Eastern Provincial Council, Sri Lanka](#)

<sup>36</sup> [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/>

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implications, while women's lower participation in paid employment and greater responsibility for household care can limit their capacity to recover from shocks. Table 3 below summarizes the gender differentiated vulnerabilities, roles and project opportunities.

**Table 3- Gender-differentiated climate vulnerability, roles and needs**

| Gender dimension                                     | Evidence of differentiated roles, needs and risks                                                                                                                                                                                                                                                                                                                                                                                   | Project response / opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Economic roles and livelihoods</u>                | Men have greater participation in paid agricultural, fisheries and manual labour activities with an employment rate of 71.8%, while women undertake substantial unpaid domestic and care work and have fewer opportunities for income diversification. The labor force participation for women is 28.7% <sup>37</sup> . This difference affects access to income, productive assets and recovery capacity following climate shocks. | Community contracting and NbS implementation will provide direct opportunities for women and women-led groups to participate in implementation, maintenance, monitoring and related livelihood activities. Men will also benefit through improved agricultural and fisheries productivity, reduced climate-related livelihood losses, and participation in restoration and maintenance activities.                                                                                                   |
| <u>Water security and household responsibilities</u> | Women are primarily responsible for household water collection where piped water is unavailable. During droughts, women and girls may travel long distances, including at night, to collect water, creating personal safety risks and reducing opportunities for economic participation <sup>38</sup> .                                                                                                                             | Restoration of Thona networks, irrigation tanks and saltwater-intrusion bund will improve water security, reduce prolonged inundation/salinity impacts and reduce the need for unsafe water collection journeys.                                                                                                                                                                                                                                                                                     |
| <u>Early warning and disaster preparedness</u>       | Women are often excluded from disaster management. Early warnings may reach men who are away for work, through mobile alerts, while women responsible for children, older persons and household preparedness have delayed access to alerts.                                                                                                                                                                                         | Establish 30 women-led early-warning/disaster-response groups, link women's groups directly to the real-time climate information system and strengthen their role within VDMCs. Multiple dissemination channels and community focal points will ensure that early warnings reach women and men directly and in sufficient time for preparedness and evacuation, particularly where men are away from home for work and women are responsible for children, older persons and household preparedness. |
| <u>Evacuation and safety</u>                         | Women carry a disproportionate caregiving burden during disasters. In Muruthanai GN Division, recurrent flooding associated with the Pondukulchani causeway inundates over 10,500 acres of paddy land and forces approximately 550 families, many from indigenous backgrounds, to relocate to evacuation centers for periods of up to 30 days.                                                                                      | Improved drainage, culverts/bridges, early warning and community preparedness will reduce exposure and improve timely evacuation. Indigenous women and other vulnerable groups will be prioritized in consultations, training and community response mechanisms.                                                                                                                                                                                                                                     |
| <u>Participation and decision-making</u>             | Women reported exclusion from disaster management and community-level DRR decision-making. Existing participation is reported at below 30% in many community governance systems.                                                                                                                                                                                                                                                    | The project will maintain at least 40% female participation in implementation and co-management of NbS/DRR activities, strengthen women-led groups, and work towards ≥50% women's participation in local DRR and planning structures.                                                                                                                                                                                                                                                                |
| <u>Access to project resources and opportunities</u> | Women, particularly WHHs, rural women and indigenous women, face constraints in access to productive resources, livelihood diversification, technical support and decision-making.                                                                                                                                                                                                                                                  | Direct community agreements and contracting with women-led groups will provide access to project resources and financial benefits. Targeted NbS/co-management training will prioritize women, WHHs, youth and indigenous groups.                                                                                                                                                                                                                                                                     |

41.

42. The project will therefore move beyond treating women as vulnerable beneficiaries and position them as active adaptation actors and decision-makers. Women and women-led groups will receive direct opportunities to participate in community contracting, ecosystem restoration, early warning, monitoring and co-management. The project will target at least 40% female participation and 30% youth participation in implementation and co-management, establish 30 women-led disaster-response/early-warning groups, and provide targeted capacity development, with priority given to women, WHHs, indigenous groups and youth. Sex-disaggregated participation and beneficiary data will be collected across training, livelihood, early-warning, restoration and governance activities to assess whether women and men are accessing project benefits equitably.

43. The gender analysis demonstrates that climate vulnerability in Batticaloa is not determined by exposure to hazards alone, but also by gendered roles, unequal access to income and decision-making, responsibility for water and care, and differentiated safety and evacuation risks. The project's gender-responsive design therefore

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38 Climate Vulnerability Risk Assessment in Eastern Province and Guidance for Capacity Development of Local Governments on Assessing Climate Change Vulnerability, 2023, UNDP Sri Lanka.

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combines physical adaptation measures with direct participation, access to project resources, climate information, skills development and leadership opportunities for women, while ensuring that indigenous and other vulnerable groups are included through culturally appropriate and locally led mechanisms. 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.

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**Theory of Change**

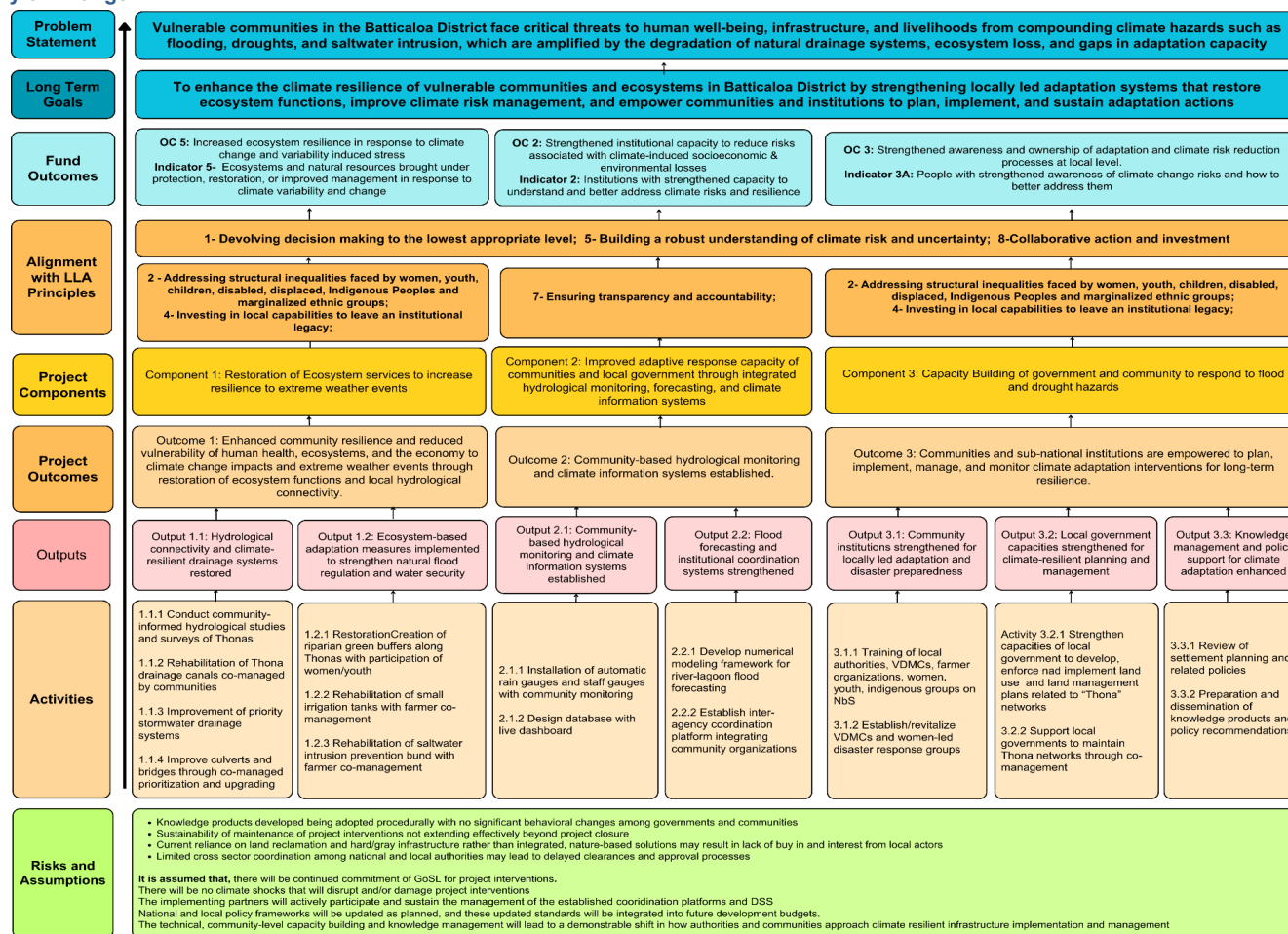
If vulnerable communities and institutions in Batticaloa District are supported with resilient NbS/hybrid infrastructure, climate information and forecasting services, and strengthened institutional and community capacities, then their exposure and sensitivity to flooding, droughts, and saltwater intrusion will be significantly reduced.

In the short term, restored hydrological connectivity and ecosystem functions, combined with community and institutional awareness-raising, build locally-led adaptation capacity — particularly among women and youth. In the medium term, NbS/hybrid systems inform infrastructure planning, while local institutions demonstrate stronger technical capacity to implement and maintain these systems, supported by integrated forecasting and coordination platforms reducing climate-related losses, improved water and livelihood security, healthier lagoon and urban environments, and more inclusive adaptation practices.

42. Over the long term, empowered institutions and communities sustainably manage natural resources and climate risks independently, resulting in enhanced socio-economic resilience and inclusive, climate-resilient development across Batticaloa District aligned with local, national, and international priorities.

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## Theory of Change



44. The project's goal is to contribute to enhanced climate resilience of vulnerable communities, ecosystems and local institutions in Batticaloa District. To achieve this, the project will implement a set of activities focused on combining ecosystem and hydrological restoration, climate-resilient NbS/hybrid infrastructure, integrated hydrological monitoring and forecasting, and strengthened community and institutional capacity. These activities will restore Thona drainage networks, irrigation tanks, saltwater intrusion bunds and riparian buffers, build economic resilience; establish community-based climate information, monitoring and flood forecasting systems; and strengthen local governments, VDMCs, women-led groups and other community institutions to plan, implement, monitor and maintain adaptation measures thereby embedding ownership, accountability and transparency and will draw on technical expertise, climate and hydrological information, and local and indigenous knowledge.

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45. These inputs and activities will generate outputs that are expected to increase hydrological connectivity through improved ecosystem services and water security. EbA measures, strengthened institutional use of climate information for planning and early response, and increase community capacity to define, prioritize, implement and monitor locally led adaptation actions. The project outcomes envisioned will reduce vulnerability to impacts of extreme weather events, community based hydrological monitoring and climate information systems and empowerment and capacitation of communities and national and sub-national institutions for long term resilience.

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46. These **outputs and outcomes** will contribute directly to AF Outcomes, 5, 2 and 3. Outcome 5- Increased ecosystem resilience in response to climate change and variability-induced stress; through restoration through restoration and co-management of ecosystem and hydrological assets. Outcome 2- Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic and environmental losses through strengthened capacity of institutions to understand and better address climate risks and resilience, through operational monitoring, climate information, forecasting and coordination systems for climate risk planning and response; and Outcome 3- Strengthened awareness and ownership of adaptation and climate risk reduction processes at the local level, through strengthened community institutions, local government capacities, knowledge products and co-management arrangements.

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47. The project will apply **LLA principles** throughout these pathways by devolving adaptation decision-making to the lowest appropriate level, using local and Indigenous knowledge, addressing barriers faced by women, youth, indigenous peoples and other vulnerable groups, investing in local capabilities, and establishing transparent community-government co-management and collaborative action. These approaches will strengthen local ownership, accountability and sustainability while ensuring that adaptation investments respond to locally identified risks and priorities.

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48. Together, these pathways will strengthen the capacity of communities and institutions to anticipate, plan for and respond to floods, droughts and saltwater intrusion, while restored ecosystems and hydrological systems reduce exposure and strengthen water and livelihood security. Over time, this will contribute to reduced climate-related losses, enhanced ecosystem and community resilience, and inclusive climate-resilient development across Batticaloa District. Key assumptions are continued institutional and community commitment, effective cross-sectoral coordination, and sustained maintenance and use of project systems and investments; key risks include climate shocks, inadequate post-project maintenance, limited uptake of knowledge products and institutional coordination or approval delays.

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#### Theory of Change

1. If vulnerable communities and institutions in Batticaloa District are supported with resilient NbS/hybrid infrastructure, climate information and forecasting services, and strengthened institutional and community capacities, then their exposure and sensitivity to flooding, droughts, and saltwater intrusion will be significantly reduced.

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1. In the short term, restored hydrological connectivity and ecosystem functions, combined with community and institutional awareness-raising, build locally led adaptation capacity — particularly among women and youth.

2.1. In the medium term, NbS/hybrid systems inform infrastructure planning, while local institutions demonstrate stronger technical capacity to implement and maintain these systems, supported by integrated forecasting and coordination platforms reducing climate related losses, improved water and livelihood security, healthier lagoon and urban environments, and more inclusive adaptation practices.

2.1. Over the long term, empowered institutions and communities sustainably manage natural resources and climate risks independently, resulting in enhanced socio-economic resilience and inclusive, climate-resilient development across Batticaloa District aligned with local, national, and international priorities.

**Project / Programme Objectives:**

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**3.49.** The overall objective of the project is to enhance the climate resilience of vulnerable communities and ecosystems in Batticaloa District by strengthening locally led adaptation systems that restore ecosystem functions, improve climate risk management, and empower communities and institutions to plan, implement, and sustain adaptation actions. The project will address increasing risks from floods, droughts, and saline intrusion by restoring ecosystem functions, improving hydrological connectivity, strengthening climate risk information and early warning systems, and enabling communities and local institutions to collaboratively plan, implement, and sustain adaptation actions.

**4.50.** The project will achieve this through three interlinked outcomes:

- 1. Enhanced community resilience and reduced vulnerability of human health, ecosystems, and the economy to climate change impacts and extreme weather events through restoration of ecosystem functions and local hydrological connectivity.
- 2. Improved adaptive response capacity of communities and local government through integrated hydrological monitoring, forecasting, and climate information systems.
- 3. Communities and sub-national institutions are empowered to plan, implement, manage, and monitor climate adaptation interventions for long-term resilience.

## Project / Programme Components and Financing<sup>39</sup>

**Table 3-4. Project Components and Financing**

| Project/<br>Programme<br>Components                                                                   | Expected Outcomes                                                                                                                                                                                                                            | Expected Concrete Outputs                                                                                                                                                                                                                                                                                                                                                                                                       | Amount<br>(US\$)       |
|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Component 1:<br>Restoration of Ecosystem services to increase resilience to extreme weather events    | 1. Enhanced community resilience and reduced vulnerability of human health, ecosystems, and the economy to climate change impacts and extreme weather events through restoration of ecosystem functions and local hydrological connectivity. | 1.1 Hydrological connectivity and climate-resilient drainage systems restored<br>(30 Thona drainage systems, 3 km of stormwater drainage, and 5 priority culverts/bridges rehabilitated, directly benefitting 100,000 people (51% women) across five DS Divisions)                                                                                                                                                              | 2,700,000<br>3,600,000 |
|                                                                                                       |                                                                                                                                                                                                                                              | 1.2 Ecosystem-based adaptation measures implemented to strengthen natural flood regulation and water security.<br>(Four riparian green buffers, 10 irrigation tanks, and 10 km of saltwater intrusion prevention bunds restored and co-managed by communities, benefitting approximately 2,500 farming households (~10,000 people), including at least 40% women and 30% youth participation in implementation and maintenance) | 900,000                |
| Component 2:<br>Reduced Exposure to Flood Hazards and building technical resources                    | 2.Improved adaptive response capacity of communities and local government through integrated hydrological monitoring, forecasting, and climate information systems                                                                           | 2.1 Community-based hydrological monitoring and climate information systems established.<br>(10 automatic rain gauges, staff gauges, and a real-time climate information dashboard, providing climate information services to approximately 100,000 direct beneficiaries and supporting disaster risk management across the wider project area                                                                                  | 170,000<br>345,507     |
|                                                                                                       |                                                                                                                                                                                                                                              | 2.2 A river-lagoon flood forecasting model and multi-agency coordination platform established and operational                                                                                                                                                                                                                                                                                                                   | 175,507                |
| Component 3:<br>Capacity Building of government and community to respond to flood and drought hazards | 3.Communities and sub-national institutions are empowered to plan, implement, and monitor adaptation interventions for long-term resilience.                                                                                                 | 3.1 Community institutions strengthened for locally led adaptation and disaster preparedness.<br>(30 women-led disaster response groups strengthened, benefitting at least 900 people (50% women and 30% youth participation)                                                                                                                                                                                                   | 225,000<br>135,000     |
|                                                                                                       |                                                                                                                                                                                                                                              | 3.2 Climate-responsive planning and co-management systems established in Batticaloa Municipal Council and two Urban Councils, integrating Thona network management into local planning, operation, and maintenance systems (~180 local government officials and community representatives).                                                                                                                                     | 45,000                 |
|                                                                                                       |                                                                                                                                                                                                                                              | 3.3 One policy review, three knowledge products, and practical guidance on climate-resilient settlement planning prepared and disseminated to support replication and integration into district and local government planning processes (~150 government planners and technical officers).                                                                                                                                      | 45,000                 |
| 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              |

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<sup>39</sup> IE and EE fees calculator: <https://www.adaptation-fund.org/document/ie-and-ee-fees-calculator/>

## Projected Calendar:

Table 4.5 Tentative Project Calendar

| Milestones                                                            | Expected Dates |
|-----------------------------------------------------------------------|----------------|
| Start of Project/Programme Implementation                             | 01.06.2027     |
| Project/Programme Closing                                             | 30.06.2030     |
| Project Completion Report (within six (6) months project completion)  | 31.12.2030     |
| Terminal Evaluation (within nine (9) months after project completion) | 30.09.2031     |

## PART II: PROJECT / PROGRAMME JUSTIFICATION

### A. Project / Programme Components

6-51. The proposed project, "Batticaloa Climate Smart Adaptation and Resilience through Ecosystems (B-CARE)", aims to strengthen climate resilience in Batticaloa District, Sri Lanka, through integrated adaptation interventions that combine ecosystem restoration, NbS, hybrid hydrological infrastructure improvements, and climate information systems.

**COMPONENT 1: Restoration of Ecosystem Services to Increase Resilience to Extreme Weather Events Outcome 1: Enhanced community resilience and reduced vulnerability of human health, ecosystems, and the economy to climate change impacts and extreme weather events through restoration of ecosystem functions and local hydrological connectivity.**

6-52. This component forms the foundation of the project by restoring ecosystem functions and reconnecting degraded local hydrological systems that regulate flood flows, retain water during droughts, and reduce saline intrusion. The project adopts an integrated adaptation approach combining ecosystem-based, nature-based, and hybrid interventions, recognizing that climate resilience in the project area depends on restoring both natural ecosystems and climate-resilient water management infrastructure.

7-53. Building on community consultations undertaken during project preparation, hydrological studies, GIS analysis, and participatory planning will refine the prioritization of interventions to ensure that investments respond to climate risks while maximizing ecosystem functionality and local hydrological connectivity. Rather than implementing isolated infrastructure rehabilitation, interventions will restore the functional relationship between Thona drainage systems, wetlands, irrigation tanks, stormwater drainage, culverts, bridges, and lagoon-edge protection systems so they function together as an integrated adaptation system.

#### Output 1.1 Hydrological connectivity and climate-resilient drainage systems restored:

8-54. This output focuses on restoring degraded ecosystem functions and improving local hydrological connectivity through ecosystem-based and hybrid interventions. Over time, the natural connectivity between Thona drainage networks, wetlands, irrigation tanks, stormwater systems and lagoon environments has been disrupted due to sedimentation, inadequate maintenance, encroachment and fragmented management. This has reduced the capacity of these interconnected systems to regulate water flows, retain water during dry periods, drain excess water during extreme rainfall events, and limit saline intrusion. These interventions are informed by community consultations and technical hydrological assessments and are designed to address flood, drought, and saline intrusion risks in an integrated manner. The restored systems form the physical foundation for climate information services, forecasting, and early warning systems developed under Component 2, while also enabling long-term sustainability through institutional arrangements strengthened under Component 3.

#### Activity 1.1.1: Conduct community-informed hydrological studies, GIS analysis and participatory mapping-

9-55. Co-led by Irrigation Department and LAs with technical support from UN-Habitat. Communities, CBOs, and farmer groups actively participate in data collection, participatory mapping, and validation of flood hotspots. While technical agencies lead analysis, community inputs directly shape prioritization of investments. Community representatives also participate in validation workshops that inform allocation of project resources for subsequent interventions.

Activity 1.1.2: Rehabilitation of Thona drainage canals co-managed by communities.

40-56. Implementation will follow a co-management and community contracting model, where LAs receive project funds and implement major works, while Community-Based Organizations are contracted for selected site-level activities such as vegetation clearance, minor canal rehabilitation, turfing, and routine maintenance. Community groups will identify priority canal sections, co-define design options, and oversee implementation quality. This dual delivery mechanism ensures both institutional oversight and direct community access to project financing and employment-based implementation roles. In addition, community groups will take responsibility for routine upkeep of natural drainage channels, including prevention of dumping, clearing of blockages, and maintenance of flow paths to ensure uninterrupted drainage connectivity. A community-based monitoring system will be established to regularly track canal conditions and trigger timely maintenance actions, strengthening local ownership and sustaining flood mitigation benefits over time. Figure 4 provides the existing Thona system in the Batticaloa District and Figure 5 shows the current conditions of a degraded Thona in one of the projects identified areas.



Figure 4- Existing Thona. Source- UN-Habitat



Figure 5- Thona drainage system map

Table 5-6 Field Visits

|                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>Image</div>  <div>Figure 666 UN Habitat Filed visit 2025/06/18</div>                                                     | <div>Explanation</div> <p>Identified activities during field assessments by the UN-Habitat technical team, in consultation with local stakeholders, include issues of siltation, partial blockage, and sections requiring urgent desilting and rehabilitation</p>                       |
|  <div>Figure 777 Thona in Thiraimadu covered by invasive plant species (Data source: UN Habitat Filed visit 2025/06/18)</div> | <div>Explanation</div> <p>Identified activities during field assessments by the UN-Habitat technical team, in consultation with local stakeholders, include issues of siltation, invasive vegetation, partial blockage, and sections requiring urgent desilting and rehabilitation.</p> |

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**Activity 1.1.3 Improve priority stormwater drainage systems:**

[44-57](#). Implementation will be led by LAs with community consultation and validation of priority flood locations. Selected community groups will be engaged through community contracts for supporting works such as clearing drainage pathways, minor upgrades, connecting household stormwater to main drainage systems, and routine maintenance activities. This approach ensures partial direct financial engagement of local groups, while major infrastructure upgrades remain under municipal execution.

**Activity 1.1.4 Improve culverts and bridges through co-managed prioritization and upgrading:**

[42-58](#). Many existing culverts and bridges within the Batticaloa watershed are undersized, blocked, or poorly connected to natural drainage pathways due to sedimentation, encroachment, and changing land-use patterns. These constraints disrupt natural water flow, increase localized flooding, damage transport access, and reduce the hydrological connectivity between wetlands, drainage canals, and the lagoon system. Therefore, targeted upgrading of culverts and bridges is required to restore efficient flood conveyance, improve drainage connectivity, and reduce climate-induced flood risks for vulnerable communities. Implementation will be led by LAs with technical oversight. Community groups will validate priority locations and participate in monitoring. Where feasible, community-based contracts will support supporting works such as approach road improvements, clearing of drainage obstructions, and post-construction maintenance support. Prioritization of interventions will be guided through hydrological assessments, flood forecasting outputs under Component 2.



**Figure 8-**Site inspection to a local culvert. Source: UN-Habitat field visits

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## Output 1.2 Ecosystem-based adaptation measures implemented to strengthen natural flood regulation and water security.

**43-59.** This output focuses on protecting and enhancing adaptive capacities of existing hydrological networks against floods, droughts and salinity intrusion. While EbA activities under this output will contribute to restoring ecosystems, increase water security and flood regulation, will also support livelihood opportunities for women and youth. The interventions will be implemented through community agreements, and community-based monitoring and co-management systems will be established to ensure sustainability.

### Activity 1.2.1: Restoration of mangroves and creation of riparian green buffers along the lagoon, tanks and Thonas:

**44-60.** Implementation will be through community contracting arrangements, led by women and youth groups supported by CBOs. These groups will receive direct project financing to undertake mangrove nursery development, restoration, and planting and maintenance of riparian buffers using native species. LAs provide technical supervision and validation. The species for green canopies 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. The locations for mangrove restorations will also be identified in consultation with the Forest Department, and the Mangrove Expert Committee to ensure that soil conditions are suitable for reforestation. Communities will jointly decide buffer locations and manage long-term maintenance, ensuring both ecological ownership and direct financial participation.

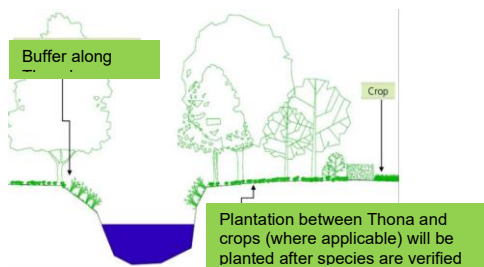


**Figure 89-** Conceptual Design

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### Activity 1.2.2 Rehabilitation of small irrigation tanks with farmer co-management:

**45-61.** The project identified, through vulnerability assessments and stakeholder consultations, the rehabilitation of 10 small and medium irrigation tanks as a priority intervention to restore ecosystem services, reduce flood risk, and improve water retention and storage, thereby enhancing community resilience. Farmer Organizations will directly receive project funds through community contracts to implement rehabilitation works, including desilting, bund strengthening, canal repairs, and turfing. The Irrigation Department and the Department of Agrarian Development will provide technical design approval, supervise works, and directly implement critical hydraulic and water regulation structures, including spillways, sluices, and other control infrastructure.



Figure 1049: List of Tanks and Details

Figure 9: List of Tanks and Details

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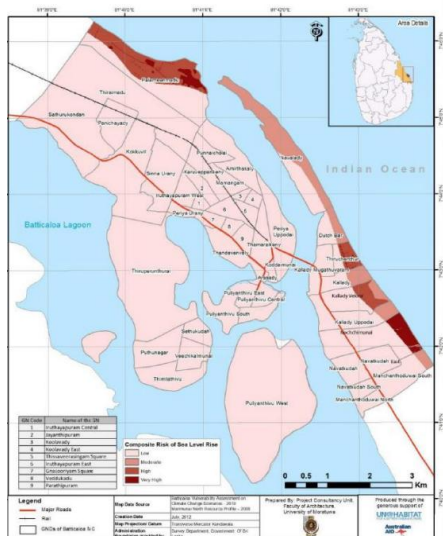
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#### Activity 1.2.3 Rehabilitation of saltwater intrusion prevention bund with farmer co-management:

46-62. 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 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, Paluhmam, Mahaloor, Kumalamunai, and Thuraineevanai GN Divisions to reduce impact of rising lagoon water levels. Implementation will be carried through Farmer Organization-led community contracting, where farmer groups receive direct funding to carry out earth bund rehabilitation, strengthening, and eco-stabilization works. Technical agencies provide design and safety oversight. Communities identify critical bund sections and manage implementation and maintenance. This approach ensures direct financial transfer to local actors for nature-based and hybrid adaptation works, strengthening long-term stewardship of coastal protection systems.

Composite Map (Sea Level Rise)



|                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                       | 1-1 direct beneficiaries).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | functioning of drainage and ecosystem systems. <u>To ensure long-term sustainability, Local Authorities (MC and UC) will integrate routine operation and maintenance of the upgraded drainage systems into their annual maintenance programmes, while community monitoring groups will continue reporting blockages and maintenance needs through established coordination mechanisms.</u>                                                                                                                                                                                                                 |
| Activity 1.1.4<br>Improve culverts and bridges through co-managed prioritization and upgrading in 5 locations                                                         | Communities in Koralai Pattu South (Kiran) and Manmunai SouthWest DS Divisions, with approximately 50,000 people (Subset of Output 1.1 direct beneficiaries, <u>overlapping coverage within the overall beneficiary estimate</u> ) from selected GN Divisions expected to benefit. These areas face disrupted drainage and increased localized flooding within the Batticaloa watershed. Reduces economic losses (affects 14 GN divisions, and 49,000 acres of paddy), and facilitates access to resources/services | Implemented by LAs using hydrological assessment results and community consultations. Community representatives will assist in prioritizing crossing locations based on local flood experience, while implementation will be coordinated with ongoing restoration of drainage systems under Component 1. <u>Following construction, Local Authorities (MC and UC) will incorporate inspection and maintenance of the upgraded structures into their routine asset management programmes, supported by community reporting and periodic monitoring to maintain drainage connectivity and functionality.</u> |
| Activity 1.2.1<br>Restoration of mangroves and creation of riparian green buffers along the lagoon, tanks and Thonas with participation of women/youth in 4 locations | Women, youth and community organizations (15 CBOs). Target 10 ha- Restoration of mangroves and creation of riparian green buffers                                                                                                                                                                                                                                                                                                                                                                                   | Implemented jointly by LAs, Forest Department and CBOs. Communities, particularly women and youth groups, will be supported to establish nurseries, select suitable native species, participate in planting and maintenance, and monitor vegetation survival through community stewardship arrangements. <u>A business model will be adopted to ensure continued engagement and economic resilience beyond the implementation period.</u>                                                                                                                                                                  |
| 1.2.2<br>Rehabilitation of 10 small irrigation tanks with farmer co-management                                                                                        | Farming communities (10 Farmer Organizations). This intervention will benefit over 3,000 acres of agricultural land and directly support more than 500 farming households. <u>(included within the overall direct beneficiary estimate).</u>                                                                                                                                                                                                                                                                        | Implemented by the Irrigation Department together with Farmer Organizations. Farmers will participate in confirming priority tanks, implementation planning, supervision, operation and long-term maintenance through existing farmer management committees. <u>The project will strengthen the technical and organizational capacity of Farmer Organizations to undertake routine operation and maintenance, while the Irrigation Department will provide periodic technical oversight to ensure the long-term functionality and climate resilience of the rehabilitated tanks.</u>                       |
| Activity 1.2.3<br>Rehabilitation of 10km saltwater intrusion prevention bund with farmer co-management                                                                | Coastal communities in Manmunai Southwest DS Division (Lagoon Interface Zone) This intervention will benefit over 5000 acres of agricultural land and directly support more than 700 farming households. <u>(included within the overall direct beneficiary estimate).</u>                                                                                                                                                                                                                                          | Implemented by the Irrigation Department and LAs with Farmer Organizations. Communities will participate in identifying priority bund sections, monitoring implementation, and supporting long-term maintenance through community-government co-management arrangements.                                                                                                                                                                                                                                                                                                                                   |

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## COMPONENT 2: Reduced Exposure to Flood Hazards and Building Technical Resources

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### Outcome 2: Improved adaptive response capacity of communities and local government through integrated hydrological monitoring, forecasting, and climate information systems.

47-63. Building upon the restored ecosystem functions and local hydrological connectivity established under Component 1, this component strengthens the technical systems required to anticipate and respond to climate-induced flood and drought risks. Rather than establishing parallel systems, the project enhances existing national forecasting systems by integrating community-supported rainfall monitoring, hydrological observations, and localized climate information into decision-making processes.

48-64. Hydrological modelling will analyse how restored drainage systems, wetlands, irrigation tanks, and lagoon systems function together, enabling more accurate flood forecasting and improved understanding of climate risks. Early warning information will be disseminated through locally appropriate communication mechanisms, ensuring that communities receive timely and actionable information.

### Output 2.1 Community-based hydrological monitoring and climate information systems established.

49-65. This output strengthens the technical foundation for climate risk anticipation by establishing community-based hydrological monitoring integrated with national systems. Rainfall and water level monitoring stations will be installed in priority catchments, building on hydrological conditions restored under Component 1. A real-time

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climate data platform and Decision Support System (DSS), hosted within government systems under DMC leadership will provide LAs and community focal persons with direct access to information for planning and preparedness.

**Activity 2.1.1 Installation of 10 nos. automatic rain gauges and staff gauges with community monitoring:**

66. Rainfall and water level monitoring stations including additional automated rain gauges and radar type water-level gauges(rain gauges and staff gauges) will be installed in priority lagoon and river catchments identified through hydrological assessment, flood history mapping, and participatory community validation. The proposed monitoring network will complement the existing RiverNet<sup>40</sup> and national meteorological and hydrological monitoring systems, rather than duplicate existing infrastructure. Additional gauges will be located where significant spatial or temporal monitoring gaps are identified, particularly in upstream of major catchments, which receives significant amount of rainfall yet, presently ungauged, smaller and interconnected catchments, Thona drainage systems, coastal and urban cities, wetlands and lagoon areas that are not adequately represented by the existing network. The number and locations of additional gauges will be determined based on existing station coverage, catchment characteristics, rainfall variability, hydrological connectivity, flood risk and the requirements of hydrological assessment and early warning, taking into account relevant World Meteorological Organization (WMO) guidelines and in consultation with responsible national agencies. The enhanced monitoring network will provide improved ground-level observations to support localized flood assessment, hydrological modelling, early warning and community preparedness.

44. The approach strengthens existing national systems rather than duplicating them, while improving spatial resolution in micro-watersheds that are currently under-monitored, thereby enhancing localized flood prediction and preparedness.

**Activity 2.1.2: Design one database with live dashboard, accessible to government and community representatives.**

20.67. A real-time climate data platform and DSS will be established and hosted within national and sub-national government systems, led by DMC in coordination with Irrigation Department and LAs. The system will integrate community-generated monitoring data with national meteorological and hydrological datasets to improve forecasting accuracy and decision relevance at district and local levels. Local Authority officers and designated community focal persons will access system outputs for planning, emergency preparedness, and response coordination. To address the identified vulnerability of women receiving delayed early warning information, the system will support timely dissemination of alerts through Local Authorities, VDMCs, and women-led community groups, ensuring women have equitable and timely access to climate and disaster information for preparedness and response. The DSS will function as a shared information backbone linking national forecasting systems with local decision-making processes, enabling transparent, evidence-based climate risk management across institutions.

**Output 2.2 A river-lagoon flood forecasting model and multi-agency coordination platform established and operational**

24-68. This output translates monitoring data into actionable flood forecasts and coordinated institutional response. An inter-agency coordination platform led by the District Secretariat will bring together DMC, technical departments, LAs, and community representatives to enable coordinated decision-making on flood response and drought management, linking national forecasting systems with local governance and early warning dissemination.

**Activity 2.2.1 Develop one numerical modeling framework for river-lagoon flood forecasting:**

22-69. This activity will develop a hydrological modelling framework to improve flood forecasting and monitoring in the river-lagoon system. The current lack of timely and reliable climate and hydrological information limits the ability of LAs and communities to anticipate floods and droughts. The modelling framework will strengthen decision-making by providing early and more accurate information on flood risks, helping communities and LAs prepare in advance, reduce losses, and adjust livelihoods and water management practices. The model will integrate available technical data with community observations and historical local knowledge, ensuring that local experiences of past floods and droughts are reflected in the analysis. Community members will also support validation of model outputs and help share early warning information at the local level. The modelling will identify flood and drought hotspot areas, drainage constraints, and vulnerable low-lying zones, as well as assess how changes in drainage systems and surface water flows affect local water retention and flood behavior. This evidence base will guide the prioritization and sequencing of interventions, ensuring that investments under the project are directed to the most vulnerable and climate-affected locations in the project area.

**Activity 2.2.2 Establish inter-agency coordination platform for flood and drought management integrating**

<sup>40</sup><https://rivernet.lk/>

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## community organizations

**23-70.** An inter-agency coordination platform will be established at district level under the leadership of the District Secretariat, with participation from DMC, Irrigation Department, Meteorological Department, LAs, and community representatives including VDMCs and women-led early warning groups. The platform will enable coordinated decision-making on flood response, drought management, water regulation, and emergency preparedness based on real-time forecasts and community observations. Community representatives will contribute field-level information and feedback, ensuring that operational decisions reflect local conditions and vulnerabilities.

**24-71.** The mechanism strengthens integration between national forecasting systems and local governance structures, improving responsiveness and accountability in climate risk management while reinforcing community-linked early warning dissemination.

**Table 78: Summary of Activities, Beneficiaries and Implementation Approach**

| Activity                                                                                                   | Key stakeholder/ Beneficiaries                                                                                                                                                                                                                                                                                                                         | Implementation Approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Activity 2.1.1<br>Installation of 10 nos. automatic rain gauges and staff gauges with community monitoring | The intervention will directly benefit around 100,000 vulnerable flood-prone people in Batticaloa's lagoon and river catchment areas by improving early warning, preparedness, and climate resilience through community-based and national forecasting system integration. <u>This represents the main direct beneficiary group under Component 2.</u> | Implemented by Department of Meteorology and Disaster Management Centre (DMC) and Irrigation Department with technical support from UN-Habitat and LAs. Rain gauges and staff gauges will be installed at priority hydrological locations identified through participatory mapping and hydrological assessment. Community groups will co-manage monitoring stations, including routine readings, basic maintenance, and local reporting. Community representatives will also validate monitoring locations and contribute to interpretation of local rainfall and flood conditions. Data will be integrated into national forecasting systems to improve last-mile early warning accuracy. |
| Activity 2.1.2<br>Design one database with live dashboard                                                  | Irrigation Department, DMC, Meteorology Department                                                                                                                                                                                                                                                                                                     | Establishment of an integrated real-time climate information platform managed by relevant government agencies. Community monitoring data will be incorporated alongside national datasets to improve localized forecasting. LAs and selected community representatives will have access to dashboard outputs for planning, emergency preparedness, and response coordination. The DSS will support transparent and shared decision-making on flood and drought risk management.                                                                                                                                                                                                            |
| Activity 2.2.1<br>Develop one numerical modeling framework for river-lagoon flood forecasting              | Irrigation Department, DMC, Meteorology Department. The intervention will benefit around 100,000 vulnerable flood-prone people in Batticaloa's lagoon and river catchment areas linked to Act 2.1.1                                                                                                                                                    | Led by national technical agencies with support from UN-Habitat. A simplified hydrological and flood forecasting model will be developed for the river-lagoon system using available technical datasets combined with community observations and historical flood knowledge. Communities will support validation of flood patterns and hotspot mapping. Model outputs will be used jointly by national and LAs to support early warning decisions and prioritization of adaptation actions, including linking with Component 1 interventions.                                                                                                                                              |
| Activity 2.2.2<br>Establish inter-agency coordination platform integrating community organizations         | Local government agencies with community representatives                                                                                                                                                                                                                                                                                               | Implementation of a coordinated multi-agency and community-led early warning system linking meteorological, irrigation, disaster management, and LAs with CBOs. Community focal groups (including women-led early warning groups and VDMCs) will disseminate alerts through local communication channels and support last-mile outreach. The mechanism ensures joint decision-making on risk communication, flood response actions, and coordination of preparedness measures at community level.                                                                                                                                                                                          |

**72.** Beneficiary calculation note: The beneficiary figures presented in Tables 7, and 8 represent activity-level estimates of populations benefiting from individual interventions. These figures include overlapping geographical areas and beneficiary groups. The consolidated project beneficiary estimate is approximately 100,000 direct beneficiaries and 220,000 indirect beneficiaries, as presented in paragraph 93.

## COMPONENT 3: Capacity Building of Government and Communities to Respond to Flood and Drought Hazards

**Outcome 3** Communities and sub-national institutions are empowered to plan, implement, manage, and monitor climate adaptation interventions for long-term resilience.

**25-73.** This component ensures the sustainability of investments made under Components 1 and 2 by

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strengthening institutional capacity, community leadership, and governance systems. Capacity building is undertaken throughout project implementation to enable government agencies and communities to participate in planning, implementation, operation, monitoring, and long-term maintenance of restored ecosystems, hydrological systems, and climate information services.

[26-74.](#) The component institutionalizes co-management arrangements, strengthens local planning systems, integrates climate resilience into land-use planning, and supports Village Disaster Management Committees, farmer organizations, women's groups, and other local stakeholders to sustain adaptation investments beyond the project lifetime.

#### **Output 3.1 Community institutions strengthened for locally led adaptation and disaster preparedness.**

[27-75.](#) This output focuses on strengthening institutional, technical, and community capacities to ensure long-term sustainability of adaptation investments. It supports co-management of restored ecosystem and hydrological systems, strengthens local governance structures, and institutionalizes the use of climate information and early warning systems in decision-making. It ensures that both ecosystem restoration under Component 1 and climate information systems under Component 2 are effectively maintained, operated, and embedded within local planning and disaster risk management systems.

##### **Activity 3.1.1 Conduct 15 training for local authorities, VDMCs, farmer organizations, women, youth, indigenous groups on NbS.**

[28-76.](#) Training of LAs, 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.

##### **Activity 3.1.2 Establish/revitalize VDMCs and women-led disaster response groups:**

[29-77.](#) VDMC and 30 women-led early warning groups will be strengthened to operationalize early warning dissemination systems developed under Component 2. Building community disaster management and response capacities are crucial to build resilience, increasing survival rates and reducing 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 Self Help Groups (SHG) in disaster response is critical for timely and orderly evacuations, particularly during floods. 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. This establishes a community-led first responder system that enhances survival, reduces losses, and improves the effectiveness of early warning and climate risk management systems.

#### **Output 3.2: Climate-responsive planning and co-management systems established in Batticaloa Municipal Council and two Urban Councils, integrating Thona network management into local planning, operation, and maintenance systems.**

[30-78.](#) This output strengthens the legal, regulatory, and technical capacity of local governments to protect and sustain drainage infrastructure and restoration investments made under Component 1. It integrates participatory mapping and community validation processes into formal land-use planning instruments, enabling Local Authorities to enforce protection of Thona networks against encroachment. By embedding co-management arrangements between LAs and communities, the output ensures that climate resilience is mainstreamed into statutory planning systems, providing the regulatory foundation needed to sustain project interventions beyond the project lifetime

##### **Activity 3.2.1 Strengthen capacities of local government to develop, enforce and implement land use and land management plans related to "Thona" networks.**

[34-79.](#) Strengthen the capacities of local government and communities to develop and enforce land use management plans related to Thona networks. Participatory mapping and community validation processes from Component 1 will be integrated into formal planning instruments, ensuring protection of drainage corridors and restoration investments from encroachment and land-use pressure. It is proposed to prepare land use plans and development plans incorporating DRR including maintenance and enhancement of the Thona networks through NbS by providing support to the selected Municipal Council/Urban Councils and LAs, and District Officers (DOs).

[32-80.](#) Strengthening local governments' capacity to identify urban planning gaps, regulatory issues, and integrate gender-responsive climate resilience is essential for sustainable and scalable interventions. Without

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robust legal and regulatory frameworks climate investments risk remaining fragmented, limiting adaptation outcomes to be unsustainable beyond this project, and defeats the overall aim of 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 ensuring coherence and long-term impact.

#### Activity 3.2.2 Support local governments to maintain Thona networks through community-government co-management arrangements.

[33-81](#). 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, [Housing Land and Property Urban Law Tool for Conflict Prevention](#) could be used to enhance capacities and improve skills of the staff in local government bodies. LAs will lead technical oversight and enforcement of by-laws for protection of drainage corridors, while community groups will be engaged through community contracts for eligible maintenance works. Communities will also support routine monitoring of Thona conditions, including reporting blockages, dumping, and damage, ensuring timely maintenance and sustained drainage functionality.

#### Output 3.3: One policy review, three knowledge products, and practical guidance on climate-resilient settlement planning prepared and disseminated to support replication and integration into district and local government planning processes.

[34-82](#). This output consolidates lessons and evidence generated across the project into actionable policy and planning tools. It addresses gaps in existing settlement planning frameworks and ensures that climate resilience considerations generated through Components 1 and 2 are captured, documented, and translated into policy recommendations. By systematizing knowledge products and disseminating them to relevant institutions, this output supports practical guidance on resilient planning and the replication and scale-up of project approaches at district and national levels.

##### Activity 3.3.1 Review of settlement planning and related policies:

[35-83](#). This activity reviews existing settlement planning processes and associated policies to identify regulatory gaps that constrain the integration of climate resilience into urban and rural development. Findings will inform the preparation of targeted knowledge products that promote climate-resilient city and settlement planning. The review will support efforts to establish climate resilience as a mandatory component of settlement planning, providing a stronger regulatory basis for sustaining NbS and drainage protection measures introduced under the project.

##### Activity 3.3.2 Preparation and dissemination of knowledge products and policy recommendations.

[84](#). This activity captures implementation processes and lessons learned throughout the project through structured knowledge management activities. Case studies and policy briefs documenting project approaches, outcomes, and challenges will be prepared and disseminated to government agencies, LAs, and other stakeholders. This ensures that successful approaches to ecosystem restoration, community-based monitoring, and institutional coordination are documented and made accessible for replication and policy uptake beyond the project's geographic scope.

[45](#).

**Table 89- Summary of Activities, Beneficiaries and Implementation Approach**

| Activity                                                                                                                 | Key stakeholders/Beneficiaries                                                                                                                                                           | Implementation Approach                                                                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Activity 3.1.1: Conduct 15 training for local authorities, VDMCs, farmer organizations, youth, indigenous groups on NbS. | LAs, VDMCs, farmer organizations, women, youth, and indigenous groups. Direct trainees: ~600 trainees                                                                                    | Training will be delivered by LAs with technical support from project partners through participatory workshops and field demonstrations. Sessions will focus on practical skills in ecosystem restoration, climate risk management, and shared operation and maintenance of interventions under Components 1 and 2. |
| Activity 3.1.2: Establish/revitalize VDMCs and women-led disaster response groups                                        | Communities in flood-prone areas. The activity will directly benefit approximately 300 members of VDMCs and women-led disaster response groups (those 300 are part of the 600 trainees). | Disaster Management institutions and LAs will organize training and operational support for VDMCs and women-led groups on early warning dissemination, preparedness, and emergency response procedures linked to Component 2 systems.                                                                               |
| Activity 3.2.1 Strengthen                                                                                                | The activity will directly strengthen approximately 100 local government                                                                                                                 | Municipal and Urban Councils will lead institutional strengthening activities with technical support. This includes                                                                                                                                                                                                 |

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|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| capacities of local government to develop, enforce and implement land use and land management plans related to "Thona" networks | officials in Municipal and Urban Councils and technical staff.                                                                                                                                                                                                                         | applying planning tools and guidance to integrate climate risk considerations into development planning and regulatory processes. LAs, supported by district agencies, will conduct participatory planning processes with communities to map, demarcate, and integrate Thona drainage networks into land-use plans                                                                                                                                                                              |
| Activity 3.2.2 Support local governments to maintain Thona networks through community-government co-management arrangements.    | The activity will directly benefit approximately 80 local government staff and community representatives                                                                                                                                                                               | LAs and community-based organizations will jointly define roles and responsibilities for maintenance, monitoring, and protection of restored systems. Co-management agreements and local bylaws will be developed through participatory consultations.                                                                                                                                                                                                                                          |
| Activity 3.3.1 Review of settlement planning and related policies:                                                              | The activity will directly benefit approximately 50 local government and planning officials.                                                                                                                                                                                           | The implementing agency, in coordination with government counterparts, will conduct policy reviews and document lessons learned. Outputs will be prepared as policy briefs and case studies for dissemination to relevant institutions.                                                                                                                                                                                                                                                         |
| Activity 3.3.2 Preparation and dissemination of knowledge products and policy recommendations.                                  | Government agencies, local authorities, and other stakeholders across Batticaloa District and beyond. The activity will directly benefit approximately 100 government officials, local authorities, and practitioners through access to knowledge products and policy recommendations. | The implementing agency will consolidate implementation processes and lessons learned throughout the project into case studies and policy briefs. These knowledge products will be prepared in coordination with government counterparts and disseminated to national and sub-national institutions, supporting replication and policy uptake of successful ecosystem restoration, community-based monitoring, and institutional coordination approaches beyond the project's geographic scope. |

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## B. Economic, Social and Environmental Benefits

36-35. Urban and peri-urban flood-prone areas in Batticaloa District are increasingly exposed to intensified monsoonal rainfall, lagoon backflow, and progressive degradation of natural drainage systems, particularly Thona networks, wetlands, and irrigation cascades. Climate variability has led to more frequent and severe flood events alongside seasonal water scarcity, reflecting a growing hydrological imbalance across the lagoon–river–coastal system.

37-36. Recent flood events (2018, 2021, 2024–2025) demonstrate a rising trend in exposure and impacts, with displacement in high-risk GN divisions increasing from approximately 5% to 45% over the period<sup>41</sup>. Hydrological and community-based studies confirm that drainage blockage, unplanned urban expansion, and inadequate maintenance of Thona systems are primary drivers of flood amplification, alongside limited early warning reach and institutional coordination gaps.

### Economic Benefits

38-37. The project is expected to generate significant economic benefits by reducing recurrent climate-induced losses and strengthening productivity in key sectors such as agriculture, and fisheries. This is particularly relevant in Batticaloa District, where frequent flooding, drought, and salinity intrusion continuously disrupt economic activities, damage infrastructure, and force households and public authorities to bear repeated recovery costs. Local Authorities estimate that recurrent flooding currently results in annual public expenditures of approximately USD 67,000 in Eravur Urban Council and USD 133,000 in Kattankudy Urban Council for drainage clearance, emergency repairs and flood response. In addition, annual economic losses to businesses, households and local industries are estimated at approximately USD 100,000 in Eravur and USD 333,000 in Kattankudy, while major flood events have displaced up to 3,000 families in affected urban areas. Batticaloa Municipal Council also incurs significant costs for drainage clearance, emergency operations, and disaster response, with estimated requirements of around USD 200,000 annually. By restoring ecosystem functions, improving drainage connectivity and strengthening community-based early warning systems, the project will significantly reduce these recurring losses while enhancing long-term economic resilience. Community-led construction of small-scale green-grey infrastructure and promotion of nature-based livelihoods with a focus on mangrove restoration, will further enhance adaptive capacity, strengthen economic resilience, while building climate resilience.

38. At present, flood-related economic losses in the district are estimated at approximately USD 11 million per major flood event (DMC, 2025). By restoring Thona drainage systems, rehabilitating key irrigation

41 District Disaster Management data, 2024

infrastructure, and strengthening early warning systems, the project is expected to reduce these climate-related losses by around 20–30%, in line with global evidence from Early Warning for All (EW4All) initiatives<sup>42</sup>. Applying this range to Batticaloa suggests potential avoided losses of approximately USD 2.2–3.3 million per major flood event. In addition, the project will reduce recurring public expenditure on drainage maintenance and emergency response by restoring natural hydrological connectivity rather than relying on repeated reactive interventions.

46. \_\_\_\_\_

89. \_\_\_\_\_

39. \_\_\_\_\_ In the agricultural sector, improved water regulation, rehabilitation of irrigation tanks and restoration of the saltwater intrusion prevention bund are expected to increase cropping intensity from 1.0 to 1.4–1.5, benefiting approximately 55,000 acres of agricultural land. The Provincial Irrigation Department currently estimates annual expenditures of approximately USD 167,000 for tank bund strengthening and rehabilitation works, while Department of Agrarian Development spends an additional USD 33,000 annually on ad hoc repairs to associated water-control structures. The proposed climate-resilient rehabilitation will reduce the need for these repetitive emergency repairs while improving agricultural productivity, stabilizing farm and fisher incomes, reducing salinity impacts and protecting access to markets and services. Compared with conventional grey infrastructure, ecosystem-based adaptation is also expected to reduce long-term operation and maintenance costs by 30–50%, while providing additional ecosystem services and livelihood benefits. In the agricultural sector, improved water regulation and irrigation efficiency are expected to increase cropping intensity from 1.0 to 1.4–1.5, as supported by Department of Agrarian Development benchmarks. This improvement will directly enhance productivity across approximately 55,000 acres of cultivated land by improving water availability, reducing flood damage, facilitates access to resources/services and strengthening salinity control, thereby stabilizing farm incomes and reducing seasonal vulnerability. In addition, the project promotes long-term economic efficiency by prioritizing EbA over conventional grey infrastructure. Compared to concrete drainage systems and pumping stations, NbS are expected to reduce lifecycle maintenance costs by 30–50%, lower long-term flood damage, and provide more resilient and self-sustaining hydrological systems through restored ecosystem functions. Overall, these benefits are consistent with international evidence from the World Bank and United Nations Environment Programme, which demonstrates that EbA delivers higher long-term cost-effectiveness and resilience in climate-vulnerable landscapes.

#### Environmental Benefits

40-90. \_\_\_\_\_ The project enhances ecosystem functionality by restoring degraded hydrological systems that underpin Batticaloa's natural climate resilience framework, including Thona drainage networks, wetlands, lagoons, and irrigation tanks improving habitats for aquatic species, mangroves, grazing land for livestock and wildlife, with desilting and removal of invasive species. Currently, approximately 55 Thona-type drainage systems are partially or fully degraded, reducing natural flood regulation capacity and increasing urban flood exposure. Restoration of these systems will improve hydrological connectivity across lagoon–wetland–tank networks, enhancing flood attenuation and water retention functions. Catchment and wetland restoration covering approximately 10ha of degraded ecosystems will improve groundwater recharge, reduce surface runoff velocity, and strengthen dry-season water availability. These interventions directly address ecosystem degradation identified as a key driver of vulnerability in the background. Coastal ecosystem restoration, including mangrove and riparian buffer rehabilitation, will reduce saline intrusion impacts affecting an estimated 5,000 acres of agricultural land, while also enhancing biodiversity and fish nursery habitats in lagoon systems enhancing alternative livelihoods, particularly for women. Overall, these ecosystem-based interventions restore critical regulating services such as flood control, water purification, soil stabilization, and climate regulation, thereby strengthening long-term resilience of both rural and urban systems.

#### Social Benefits

44-91. \_\_\_\_\_ The project addresses key structural social vulnerabilities identified in the background, particularly 61.9% of the population with limited adaptive capacity<sup>43</sup> and the disproportionate exposure of women, older persons, persons with disabilities, and low-income households to climate risks. These groups are consistently the most affected during floods and droughts due to limited access to resources, services, and decision-making processes.

42-92. \_\_\_\_\_ Social benefits are generated through strengthened inclusive governance, improved access to early warning systems, and enhanced community-based disaster preparedness. The establishment and revitalization of VDMCs, Thona co-management structures, and community-based organizations, including women-led groups and farmer organizations, will strengthen local institutional capacity and resilience. As a result, women's participation in local disaster risk reduction and planning processes is expected to increase to at least 50%, compared to a current baseline of below 30% in many community-level governance systems.

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42 <https://library.wmo.int/records/item/58209-early-warnings-for-all>

43 Multidimensional Vulnerability Index, UNDP 2023

43-93. The project will strengthen last-mile early warning coverage for approximately 100,000 direct beneficiaries in flood-prone communities through improved climate information, monitoring, and preparedness systems. Wider benefits will extend to approximately 220,000 people through enhanced flood risk management, drainage improvements, and climate-resilient planning. The beneficiary figures presented in Tables 7 and 8 are activity-level estimates and include overlapping geographic areas; therefore, they are not cumulative. The consolidated beneficiary figures above represent the total project reach and avoid double counting of beneficiaries who may benefit from multiple activities. National estimates indicate that Sri Lanka incurs approximately USD 19 million annually in health-related costs linked to floods and droughts, mainly due to waterborne and climate-sensitive diseases. By improving drainage and environmental conditions, the project will help reduce these preventable health burdens.

44-94. The project also supports livelihood resilience by reducing agricultural losses from climate shocks and promoting EbA approaches that enable fisheries, wetland-based livelihoods, and other nature-based income opportunities. These measures will strengthen income stability and long-term resilience of vulnerable households.

45-95. All project interventions will be implemented in accordance with the Adaptation Fund Environmental and Social Policy (AF ESP) and Gender Policy. Environmental and social screening, inclusive stakeholder engagement, culturally appropriate consultation processes, grievance redress mechanisms and monitoring of gender and social inclusion indicators will ensure that project benefits are equitably distributed while minimizing potential adverse environmental and social impacts.

**Table 910- Summary of benefits**

| Dimension            | Baseline                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Expected Project Outcome                                                                                                                                                                                                                                                                                                                                                                                                             | Direct & Indirect Beneficiaries                                                                                                                                                                                                                                                                             | Evidence Source                                                                                                                                                                |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Economic</b>      | High exposure to floods, droughts, and salinity intrusion; degraded Thona drainage systems and irrigation infrastructure; recurrent disruption of agriculture, fisheries, and urban economic activities. Estimated ~USD 11 million loss per major flood event; ~55,000 acres of agricultural land affected; low cropping intensity (~1.0).                                                                                                                                                                                                                                           | 20–30% (USD 2.2–3.3 million) reduction in climate-induced economic losses; cropping intensity increased from 1.0 to 1.4–1.5; 30–60% increase in agricultural incomes; improved productivity across ~55,000 acres through reduced flood damage, nature-based livelihood opportunities, improved water regulation, facilitates access to resources/services, and salinity control; reduced household and public recovery expenditures. | Direct: ~80,000 farming households, high-value mangrove fishers, and small enterprises in flood-affected areas. Indirect: Approximately 140,000 residents across Batticaloa District benefiting from reduced disruption to markets, transport, public services, and strengthened local economic resilience. | DMC Sri Lanka (2025); Department of Agrarian Development; Provincial Irrigation Department; Eravur UC; Kattankudy UC; EW4All global evidence; World Bank & UNEP NbS literature |
| <b>Environmental</b> | Degradation of ~55 Thona drainage systems; fragmented wetland-mangrove-lagoon-tank connectivity; increasing salinity intrusion affecting coastal and lagoon-adjacent systems. ~125 ha of degraded ecosystems and ~35,000–45,000 Ha exposed to salinity risk. <u>Local authorities currently spend approximately USD 400,000/year on drainage maintenance, emergency repairs and flood management (Eravur and Kattankudy UC and Batticaloa MC). Provincial Irrigation Department spends approximately USD 167,000/year on tank rehabilitation, with an additional USD 33,000/year</u> | Restoration of hydrological connectivity across Thona-wetland-lagoon-tank systems; rehabilitation of ~10 ha ecosystems; improved flood attenuation, groundwater recharge, and dry-season water retention; reduced salinity intrusion.                                                                                                                                                                                                | Direct: ~70,000 people in restoration and high-risk ecological zones. Indirect: ~220,000 people benefiting from improved micro-watershed regulation, reduced flood risk, and enhanced ecosystem services.                                                                                                   | DMC GIS mapping; Irrigation Department Sri Lanka; University of Peradeniya soil salinity studies; SLJOL research                                                               |

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|               | spent by Department of Agrarian Development on ad hoc repairs.                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                        |
| <b>Social</b> | 61.9% of population with low adaptive capacity; high exposure of women and WHH, older persons with disabilities, indigenous populations and low-income households; women's participation in DRR governance <30%; limited early warning access and preparedness capacity. | ≥50% women participation in DRR and local planning structures; strengthened VDMCs and community institutions (including women-led groups); improved last-mile early warning coverage for ~240,000 people; reduced exposure to flood-related waterborne diseases; enhanced livelihood resilience through EbA and diversified income opportunities. | ~100,000 people benefit from improved early warning and preparedness systems; high-risk vulnerable groups (women-headed households, elderly persons, persons with disabilities, indigenous populations) benefit through targeted inclusion mechanisms. Indirect: ~220,000 people benefiting from improved climate information and resilient planning systems. | UNDP Multidimensional Vulnerability Index (2023); Department of Census and Statistics Sri Lanka; DMC Sri Lanka; WHO / national health burden estimates |

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### C. Cost-effectiveness

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46-96. Cost-effectiveness rationale for the specific interventions identified is summarized in Table 9-11, below.

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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 NbS. Rather than replacing natural systems with high-cost engineered infrastructure, the project adopts a ecosystem-based approach that combines NbS with targeted climate-resilient ("green-grey") infrastructure where required. 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.

47-97. The proposed investments are consistent with national and sub-national priorities including direct development plan for climate adaptation, ensuring institutional support, routine maintenance and budget allocations after project completion. Operation and maintenance responsibilities will be incorporated within the statutory mandates of the responsible government agencies, complemented by community co-management arrangements and routine monitoring, thereby improving the equitable access to benefits and enhancing cost-effectiveness of the investments.

48-98. Alternative technical options, including conventional grey infrastructure and different monitoring technologies, will be assessed during the full proposal preparation to confirm that the selected interventions provide the most appropriate balance between adaptation effectiveness, lifecycle costs, environmental sustainability and operational feasibility.

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**Table 10-11 Project Cost-Effectiveness**

| Proposed Action                                                                                                | Cost-Effectiveness-Criteria                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Alternative Action                                         | Why-Less-Cost-Effective                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1-Rehabilitation and restoration of Thona canals, riparian buffers & improved stormwater drainage connectivity | <b>Future cost of climate change:</b> Reduces community flooding, enhances eco-systems and protects infrastructure<br><b>Project efficiency:</b> Uses existing canal networks and requires minimal, less complex engineering solutions<br><b>Community involvement:</b> Implemented by local governments & communities<br><b>Cost/Feasibility:</b> Low cost, high benefit including potential revenue generation from ecosystem services (mangroves, community forests).<br><b>Safeguards:</b> Preserves ecosystems and biodiversity | Lining canals with concrete<br><br>Contractor-driven model | -High capital and maintenance costs<br>-Environmentally-invasive and energy-intensive<br>-Disrupts ecological flow<br>-Less adaptable to changing climate conditions and more difficult to modify over time.<br>-Poor sustainability due to limited community involvement |
| 2-Repair and restoration of 10 km saltwater intrusion earth bund with drainage                                 | <b>Future cost of climate change:</b> Protects over 5000 acres of farmlands; stabilizes agricultural productivity<br><b>Project efficiency:</b> simple, cost-effective nature-based control structure with high returns<br><b>Community involvement:</b> Local labor-based<br><b>Cost/Feasibility:</b> Affordable and maintainable with less cost for the long run.                                                                                                                                                                  | Concrete seawalls<br><br>External contractor-led           | -Reduces local stakeholder engagement<br>-High cost, intensive maintenance and lower sustainability<br>-Alters natural sediment flow and risks ecological harm                                                                                                            |

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| system                                                                                                                                    | <b>Safeguards:</b> Minimal disruption to lagoon ecosystems                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                             | Limited flexibility to accommodate changing climate conditions.<br>— Less adaptive and harder to repair locally                                                                                                         |
| 2. Rehabilitation of 10 small and medium irrigation tanks                                                                                 | <b>Future cost of climate change:</b> Enhances drought/flood resilience, stabilizes agricultural productivity and inland fishing<br><b>Project efficiency:</b> Improves existing assets<br><b>Community involvement:</b> Local O&M responsibility<br><b>Cost/Feasibility:</b> Low-cost upgrades, speedy implementation<br><b>Safeguards:</b> Avoids resettlement or land acquisition                                                                                                          | New medium/large tanks<br><br>External contractor-led                       | — Limited community ownership<br>— High capital investment<br>— No capacity building<br>— High land acquisition cost<br>— Long approval process for construction<br>— 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 | <b>Future cost of climate change:</b> Reduces economic losses (affects 14 GN divisions, and 49,000 acres of paddy), and facilitates access to resources/services<br><b>Project efficiency:</b> Ready-to-implement designs<br><b>Community involvement:</b> Prioritized by farming and other affected communities and relevant stakeholders.<br><b>Cost/Feasibility:</b> Local-level intervention, quick to implement<br><b>Safeguards:</b> Avoids large-scale environmental/social disruption | Linking and augmenting upstream major irrigation tanks for flood mitigation | — Technically complex and delayed impact<br>— High capital cost<br>— Potential community resettlement risks<br>— Upstream ecological disruption<br>— Long timeline<br>— Less appropriate for localized flood management |

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| Installation of flood sensors, gauges, and Decision Support System                                      | <p><b>Future cost of climate change:</b> Enables real-time response, saves lives</p> <p><b>Project efficiency:</b> Scalable and automated system</p> <p><b>Community involvement:</b> Linked with DMC and local councils</p> <p><b>Cost/Feasibility:</b> Affordable digital infrastructure</p> <p><b>Safeguards:</b> Minimal impact, no physical footprint</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Manual gauge reading                                                                                                     | <p>- Delayed and inconsistent</p> <p>- Prone to errors, less timely alerts</p> <p>- High risks exist in flood monitoring and forecasting.</p> <p>- Higher long-term operational costs due to labor-intensive data collection and slower emergency response.</p>                                                                                                                                                                                                                                                            |
| Integrated ecosystem-based and hydrological systems planning approach (guiding all project investments) | <p><b>Future climate resilience:</b> Restores hydrological connectivity across wetlands, Thona canals, lagoons, drainage networks and irrigation systems, addressing multiple climate risks simultaneously (floods, droughts and salinity intrusion).</p> <p><b>Project efficiency:</b> Investments are prioritized using GIS analysis, hydrological modelling, climate risk assessments and community validation, ensuring resources are directed to the highest-risk locations.</p> <p><b>Cost/Feasibility:</b> Builds on and rehabilitates existing natural and engineered systems rather than creating new stand-alone infrastructure, reducing capital and long-term maintenance costs.</p> <p><b>Community involvement:</b> Planning integrates local knowledge with scientific analysis, strengthening ownership and improving long-term operation and maintenance.</p> <p><b>Safeguards:</b> Reduces maladaptation by considering watershed-wide ecosystem processes and cumulative environmental impacts.</p> | Sector-based or isolated infrastructure interventions implemented independently without integrated hydrological planning | <p>Addresses individual problems rather than the underlying interactions between natural drainage systems and ecosystems, resulting in fragmented investments, duplication of resources, and lower adaptation benefits.</p> <p>Stand-alone interventions often require higher long-term maintenance, provide fewer ecosystem and livelihood co-benefits, are less flexible under changing climate conditions, and may transfer or exacerbate climate risks in adjacent areas instead of building long-term resilience.</p> |

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| Proposed Action                                                                                                | Cost-effectiveness rationale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Estimated losses avoided / gains obtained (USD)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Alternative adaptation option                                               | Why less cost-effective                                                                                                                                                                                                                                   | Sustainability perspective                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rehabilitation and restoration of Thona canals, riparian buffers and improved stormwater drainage connectivity | <b>Future climate cost reduction:</b> Reduces recurrent community flooding, protects infrastructure, restores ecosystem services and improves drainage capacity. <b>Project efficiency:</b> Uses existing canal networks and natural drainage systems requiring less complex engineering solutions and lower capital investment. <b>Community involvement:</b> Local authorities, community groups and affected residents participate in identifying priority drainage issues and restoration activities. <b>Cost/Feasibility:</b> Low-cost, high-benefit intervention with potential ecosystem service benefits from restored wetlands, mangroves and community-managed green areas. <b>Safeguards:</b> Protects biodiversity and improves ecosystem functions.                                                                     | Eravur UC estimates USD 67,000/year spent on drainage maintenance and approximately USD 100,000/year economic losses due to flooding. Kattankudy UC estimates USD 133,000/year for flood response and approximately USD 333,000/year annual economic losses, increasing up to USD 1 million during severe events. Approximately 800 families are displaced annually, with major events affecting around 3,000 families. Batticaloa Municipal Council incurs approximately USD 200,000 annually for drainage clearance, emergency operations, and disaster response. The project will help reduce these recurring costs through improved drainage, ecosystem restoration, and early warning systems. | Concrete-lined canals and contractor-driven drainage systems                | Higher construction and maintenance costs; requires repeated repairs due to sedimentation and blockage; reduces ecological functions; provides limited flexibility under changing climate conditions; weak community ownership increases long-term costs. | Decision-making is devolved to local authorities and communities through participatory identification of drainage priorities. Local communities contribute traditional knowledge on flood pathways and seasonal risks. Community groups can support monitoring and maintenance, creating local ownership and reducing future operational costs. Restored wetlands and mangroves provide community benefits including improved livelihoods, biodiversity conservation and ecosystem services. |
| Repair and restoration of approximately 10 km saltwater intrusion earth bund with drainage improvements        | <b>Future climate cost reduction:</b> Protects agricultural lands from salinity intrusion and stabilizes farming productivity. <b>Project efficiency:</b> Uses simple, nature-compatible control structures with high benefits compared with hard coastal protection. Moves from repeated reactive maintenance to a planned, climate-resilient rehabilitation approach that improves structural performance, reduces future repair requirements and provides long-term protection for agricultural areas. <b>Community involvement:</b> Implemented with participation of farmer organizations and local labour, strengthening ownership. <b>Cost/Feasibility:</b> Affordable, locally maintainable and lower cost over the long term. <b>Safeguards:</b> Minimizes disruption to lagoon ecosystems and maintains natural processes. | Approximately USD 33,000/year is currently spent by Provincial Irrigation Department on periodic ad hoc repairs and emergency strengthening of saltwater intrusion control structures following damage and deterioration. These recurring expenditures mainly address immediate failures rather than improving long-term climate resilience. Protects more than 5,000 acres of farmland, reducing livelihood losses associated with salinity and declining agricultural productivity.                                                                                                                                                                                                               | Concrete seawalls, revetment s and other hard coastal protection structures | High capital and maintenance costs; potential ecological damage; disruption of sediment movement; less adaptable to future sea-level rise and changing coastal conditions.                                                                                | Farmer organizations and local communities participate in design, prioritization and maintenance decisions. Builds local capacity for managing water resources and salinity risks. Supports equitable benefits for smallholder farmers and strengthens community resilience through locally managed solutions while improving food security.                                                                                                                                                 |

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| Rehabilitation of 10 small and medium irrigation tanks                                               | <b>Future climate cost reduction:</b> Improves drought and flood resilience, stabilizes agricultural production and supports inland fisheries. <b>Project efficiency:</b> Improves existing assets rather than creating new infrastructure. Shifts from repeated reactive rehabilitation of damaged irrigation assets to planned climate-resilient upgrading of existing infrastructure, extending asset lifespan and reducing long-term maintenance costs. <b>Community involvement:</b> Farmer organizations support operation and maintenance responsibilities. <b>Cost/Feasibility:</b> Low-cost upgrades with rapid implementation and high livelihood benefits. <b>Safeguards:</b> Avoids land acquisition, displacement and major environmental impacts. | The Provincial Irrigation Department estimates that approximately <b>USD 167,000/year</b> is currently required for periodic repairs, bund strengthening, downstream improvements and rehabilitation of existing irrigation tanks affected by climate-related stresses. In addition, local institutions spend approximately <b>USD 33,000/year</b> on upgrading associated irrigation structures. These expenditures largely represent recurring corrective maintenance to address deterioration and damage rather than comprehensive climate-resilient upgrading | Construction of new medium and large reservoirs    | High capital costs, lengthy approval processes, land acquisition, displacement risks and greater environmental impacts.                              | Decision-making is transferred closer to farmers through farmer organizations and local water user groups. Strengthens local O&M capacity, builds institutional legacy and ensures investments respond to community priorities. Local knowledge is combined with technical assessments for adaptive water management. |
| Improvement of culverts and bridges to enhance flood conveyance, connectivity and climate resilience | <b>Future climate cost reduction:</b> Reduces economic losses affecting <b>14 GN Divisions and 49,000 acres of paddy land</b> , while maintaining access to services and markets. <b>Project efficiency:</b> Uses targeted local interventions with ready-to-implement designs. <b>Community involvement:</b> Prioritized through consultation with farmers, communities and affected stakeholders. <b>Cost/Feasibility:</b> Quick implementation with lower cost compared with large-scale flood infrastructure. <b>Safeguards:</b> Avoids large-scale environmental and social disruption.                                                                                                                                                                    | Reduces repeated repair costs, agricultural losses, transport disruption and emergency response costs associated with flood events.                                                                                                                                                                                                                                                                                                                                                                                                                               | Large upstream flood control structures            | High capital investment, longer implementation period, potential displacement and ecological impacts; less suitable for localized drainage problems. | Communities help identify critical connectivity gaps and prioritize interventions. Local authorities and users participate in monitoring performance and maintenance. Ensures adaptation investments respond to actual community needs.                                                                               |
| Installation of flood sensors, gauges and Decision Support System (DSS)                              | <b>Future climate cost reduction:</b> Enables real-time flood response and reduces disaster impacts. <b>Project efficiency:</b> Scalable and automated climate information system. <b>Community involvement:</b> Linked with DMC, local authorities and community-based monitoring mechanisms. <b>Cost/Feasibility:</b> Affordable digital infrastructure with low physical footprint. <b>Safeguards:</b> Minimal environmental impact.                                                                                                                                                                                                                                                                                                                         | Avoids flood-related losses through improved early warning, faster emergency response and better decision-making.                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Manual flood monitoring systems                    | Delayed information, higher labour costs, inconsistent data and increased risk due to late warnings.                                                 | Improves local access to climate information and supports informed community decision-making. Builds local capacity to understand climate risks and supports transparent, accountable adaptation planning.                                                                                                            |
| Integrated ecosystem-based and hydrological systems planning approach guiding all investments        | <b>Future climate resilience:</b> Restores connectivity between wetlands, Thona canals, lagoons, drainage systems and irrigation networks, addressing multiple risks including floods, droughts and salinity intrusion. <b>Project efficiency:</b> Uses GIS analysis, hydrological modelling, climate risk assessment and community validation to prioritize investments. <b>Cost/Feasibility:</b> Builds on existing natural and engineered systems, reducing capital and long-term maintenance costs. <b>Community involvement:</b> Combines scientific analysis with local knowledge.                                                                                                                                                                        | Improves efficiency of all project investments by avoiding maladaptation and directing resources to the highest-risk locations.                                                                                                                                                                                                                                                                                                                                                                                                                                   | Isolated sector-based infrastructure interventions | Fragmented investments, duplication of resources, higher maintenance costs and reduced resilience benefits.                                          | Establishes collaborative decision-making between communities, government institutions and technical partners. Supports flexible programming, learning and adaptive management. Strengthens transparency, accountability and long-term institutional capacity while reducing maladaptation risks.                     |

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

49-99. 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<sup>44</sup> (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<sup>45</sup> and the recently launched National Climate Finance Strategy of Sri Lanka (2025–2030)<sup>46</sup> 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)<sup>47</sup>.

50-100. The project translates these national priorities into locally led adaptation actions through three complementary components. Component 1 contributes to national priorities on integrated water resources management, ecosystem restoration and resilient human settlements by restoring Thona networks and strategically selected irrigation tanks using climate-informed planning and NbS. Component 2 supports national priorities for climate information and disaster risk management by strengthening flood forecasting, early warning systems and decision-support tools for adaptive water management. Component 3 contributes to institutional strengthening by enhancing the capacities of LAs, CBOs and technical agencies to integrate climate risk into land-use planning, disaster preparedness, watershed management and local development planning, thereby supporting long-term implementation of national adaptation priorities.

51-101. The project interventions also align with GoSL's flagship "Clean Sri Lanka" Programme (Environment pillar)<sup>48</sup> 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).

52-102. Implementation will be undertaken in close coordination with the District Secretariat, Divisional Secretariats, LAs and relevant technical agencies to ensure that investments respond to locally identified priorities and are integrated into existing district and local development processes. Consistent with Locally Led Adaptation (LLA) principles, project interventions will be prioritized through participatory planning processes. 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 AF Environmental and Social Policy (AF ESP) and results framework standards.

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<sup>44</sup> <https://unfccc.int/sites/default/files/resource/NAP-Sri-Lanka-2016.pdf>

<sup>45</sup> [https://slcs.chamber.lk/wp-content/uploads/presentation/day2/Sonali\\_Senaratna\\_Sellamuttu2\\_Climate\\_Resilience\\_and\\_Adaptation.pdf](https://slcs.chamber.lk/wp-content/uploads/presentation/day2/Sonali_Senaratna_Sellamuttu2_Climate_Resilience_and_Adaptation.pdf)

<sup>46</sup> <https://www.treasury.gov.lk/api/file/ef2dff2b-8a19-4bc8-9936-10c3e17a9264>

<sup>47</sup> Updated Nationally Determined Contributions (NDCs) to the United Nations Framework Convention on Climate Change (UNFCCC), 2021, Ministry of Environment, Sri Lanka.

<sup>48</sup> <https://cleansrilanka.gov.lk/>

**Table 4412- Alignment with National and Sub-national Strategies**

| Policy / Strategy                                    | Specific Clause / Target / Sector                                                                                                                  | Project Alignment                                                                                                                                                 | Component & Key Activities  | Alignment with LLA Principles                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>National Adaptation Plan (NAP 2016–2025)</b>      | Water Resources Sector – Strategy 1: Integrated water resources management, restoration of drainage systems and catchment protection               | Restores Thona drainage network, improves hydrological connectivity, and rehabilitates irrigation tanks to reduce flood and drought risks in lagoon–river systems | C1 (1.1.1-1.1.3, 1.2.2)     | <a href="#">Principle 1: Devolving decision-making – Local authorities, farmer organizations and communities participate in prioritization of Thona and irrigation interventions.</a><br><a href="#">Principle 5: Building understanding of climate risk – Community knowledge is combined with hydrological studies and GIS analysis.</a> |
|                                                      | Ecosystems & Biodiversity Sector – Strategy 6: Restoration of degraded ecosystems and strengthening ecosystem services for disaster risk reduction | Rehabilitation of wetlands, riparian buffers, and lagoon-linked ecosystems to restore natural flood regulation and salinity control functions                     | C1 (1.2.1, 1.2.3)           | <a href="#">Principle 2: Addressing structural inequalities – Women, youth and vulnerable groups participate in ecosystem restoration activities.</a><br><a href="#">Principle 4: Investing in local capabilities – Community groups are supported for long-term ecosystem stewardship and maintenance.</a>                                |
|                                                      | Human Settlements Sector – Strategy 2: Climate-resilient urban drainage and flood risk reduction                                                   | Improvement of stormwater drainage, culverts, and urban Thona systems in flood-prone urban/peri-urban areas                                                       | C1 (1.1.2-1.1.4)            | <a href="#">Principle 1: Devolving decision-making – Local Authorities and affected communities identify priority drainage problems.</a><br><a href="#">Principle 8: Collaborative action and investment – Implementation involves Local Authorities, technical agencies and communities.</a>                                              |
|                                                      | Disaster Risk Reduction Sector – Strategy 3: Early warning systems and risk-informed planning                                                      | Hydrological modelling, real-time flood forecasting, and early warning dissemination systems for community-level response                                         | C2 (2.1.1-2.1.2) C3 (3.1.2) | <a href="#">Principle 5: Building understanding of climate risk – Local monitoring improves understanding of flood behavior.</a><br><a href="#">Principle 7: Transparency and accountability – Shared climate information supports informed decisions by communities and institutions.</a>                                                 |
| <b>NDC 3.0 (Sri Lanka Adaptation Component)</b>      | Agriculture – Target 5: Climate-resilient agricultural practices and sustainable land & water management                                           | Improves irrigation efficiency, cropping intensity, and salinity control through tank and watershed restoration                                                   | C1 all activities           | <a href="#">Principle 1: Devolving decision-making – Farmer organizations participate in selecting and managing irrigation interventions.</a>                                                                                                                                                                                              |
|                                                      | Agriculture – Target 6: Strengthening climate-resilient water management for agriculture                                                           | Enhances water availability and reduces crop losses through integrated watershed and drainage rehabilitation                                                      | C1 all activities           | <a href="#">Principle 4: Investing in local capabilities – Farmer groups strengthen operation and maintenance capacity.</a>                                                                                                                                                                                                                |
|                                                      | Water Sector – Target 5: Integrated water resource management and climate-resilient infrastructure                                                 | Restores interconnected lagoon–Thona–tank hydrological systems and improves drainage connectivity                                                                 | C1 all activities           | <a href="#">Principle 5: Building understanding of climate risk and uncertainty – Hydrological assessment guides investments.</a>                                                                                                                                                                                                          |
|                                                      | Water Sector – Target 7: Strengthening early warning and disaster risk management systems                                                          | Establishes real-time monitoring, flood forecasting, and decision-support systems                                                                                 | C2 all activities           | <a href="#">Principle 1: Devolving decision-making – Communities participate in monitoring and dissemination of warnings.</a><br><a href="#">Principle 7: Transparency and accountability – Climate information is shared through accessible systems.</a>                                                                                  |
|                                                      | Human Settlements – Targets 1–4: Climate-resilient urban infrastructure and risk-informed planning                                                 | Upgrades flood-prone urban drainage systems and integrates risk into local development planning                                                                   | C1 and C3                   | <a href="#">Principle 5: Building understanding of climate risk- risk informed climate development planning</a>                                                                                                                                                                                                                            |
| <b>National Climate Change Policy (2012)</b>         | Objective 2: Minimize adverse impacts of climate change on livelihoods and ecosystems                                                              | EbA reduces floods, droughts, and salinity impacts on agriculture and settlements                                                                                 | C1 all activities           | <a href="#">Principle 4: Investing in local capabilities – Strengthens institutional capacity of Local Authorities and communities.</a><br><a href="#">Principle 8: Collaborative action and investment – Implementation involves Local Authorities, technical agencies and communities.</a>                                               |
|                                                      | Objective 4: Mainstream climate change into development planning                                                                                   | Integrates climate risk into VDMCs, local authority planning, and watershed governance systems                                                                    | C3 all activities           |                                                                                                                                                                                                                                                                                                                                            |
| <b>National Climate Finance Strategy (2025–2030)</b> | Priority Area: Scaling adaptation finance in water and agriculture                                                                                 | Demonstrates investable NbS model through co-managed drainage and irrigation systems                                                                              | C1 (1.1.2, 1.1.3, 1.2.2)    | <a href="#">Principle 3: Providing patient and predictable funding – Supports long-term community-based adaptation investments.</a>                                                                                                                                                                                                        |

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|                                                                                     | sectors using blended and ecosystem-based approaches                                                          |                                                                                                                    |                                               | <a href="#">Principle 8: Collaborative action and investment – Promotes government-community partnerships.</a>                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <a href="#">Clean Sri Lanka Programme</a>                                           | Environmental Pillar: Restoration of natural ecosystems, water bodies, and biodiversity corridors             | Rehabilitation of Thona systems, wetlands, and irrigation tanks to restore ecosystem services                      | <b>C1 all components</b>                      | <a href="#">Principle 4: Investing in local capabilities – Builds community ownership for ecosystem management.</a><br><a href="#">Principle 8: Collaborative action and investment – Implementation involves Local Authorities, technical agencies and communities.</a>                                                                                                                                                                                                                                                                                 |
| <a href="#">National Disaster Management Plan (2023–2030)</a>                       | Operational Strategy 4: Strengthening early warning systems and community preparedness                        | Establishes hydrological monitoring, forecasting systems, and VDMC-based response mechanisms                       | <b>C1 (1.1.1)<br/>C2 (all)<br/>C3 (3.1.2)</b> | <a href="#">Principle 1: Devolving decision-making – VDMCs and communities participate in preparedness actions.</a><br><a href="#">Principle 2: Addressing inequalities – Women-led disaster groups and vulnerable groups are prioritized.</a><br><a href="#">Principle 5: Building understanding of climate risk- monitoring and forecasting enables robust understanding of climate risk</a><br><a href="#">Principle 7: Transparency and accountability – Shared climate information supports informed decisions by communities and institutions.</a> |
| <a href="#">Eastern Province / Batticaloa District Development Plan (2024–2028)</a> | Priority Area: Flood and drought risk reduction, climate-resilient livelihoods, infrastructure rehabilitation | Direct implementation of district priority interventions through watershed restoration and urban drainage upgrades | <b>All Components (C1–C3)</b>                 | <a href="#">Principle 1: Devolving decision-making – Priorities identified through district and community consultations.</a><br><a href="#">Principle 8: Collaborative action and investment – Strengthens coordination among government, communities and partners.</a>                                                                                                                                                                                                                                                                                  |
| <a href="#">Coastal Zone Management Plan (2024–2029)</a>                            | Coastal Ecosystem Management: Lagoon restoration, salinity control, and coastal protection                    | Reduces salinity intrusion through bund rehabilitation and restores lagoon hydrological balance                    | <b>C1 (1.2.1, 1.2.3)</b>                      | <a href="#">Principle 2: Addressing inequalities – Supports vulnerable coastal livelihood groups including fishers and small farmers.</a><br><a href="#">Principle 4: Investing in local capabilities – Community groups support restoration and maintenance.</a><br><a href="#">Principle 8: Collaborative action and investment – Implementation involves Local Authorities, technical agencies and communities.</a>                                                                                                                                   |

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

103. [The proposed project will be implemented in accordance with the Government of Sri Lanka laws and regulations, and in compliance 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. These obligations align with the principles of Adaptation Fund.](#)

104. [National technical standards and operational guidelines that will be adhered to are issued by the Irrigation Department, Department of Agrarian Development, Urban Development Authority \(UDA\), DMC, Road Development Authority \(RDA\), Central Environmental Authority \(CEA\), National Building Research Institute and other relevant agencies and include Environmental and Construction standards and internationally accepted building code. Technical standards for interventions will be incorporated into project design, procurement, construction, supervision and long-term operation and maintenance.](#)

105. [The project will also fully comply with the AF ESP and Gender Policy. Environmental and social screening will be undertaken for all interventions to ensure consistency with national environmental legislation while promoting ecosystem integrity, gender equality, participation of vulnerable groups, protection of biodiversity, public health and occupational safety. Capacity-building activities under Component 3 will strengthen the application of standards during planning, implementation, monitoring and maintenance, ensuring sustainability beyond the project period.](#)

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

53. The proposed project will be implemented in accordance with the Government of Sri Lanka laws and regulations, and in compliance 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. These obligations align with the principals of Adaptation Fund.
54. National technical standards and operational guidelines that will be adhered to are issued by the Irrigation Department, Department of Agrarian Development, Urban Development Authority (UDA), DMC, Road Development Authority (RDA), Central Environmental Authority (CEA), National Building Research Institute and other relevant agencies and include Environmental and Construction standards and internationally accepted building code. Technical standards for interventions will be incorporated into project design, procurement, construction, supervision and long-term operation and maintenance.
55. The project will also fully comply with the AF ESP and Gender Policy. Environmental and social screening will be undertaken for all interventions to ensure consistency with national environmental legislation while promoting ecosystem integrity, gender equality, participation of vulnerable groups, protection of biodiversity, public health and occupational safety. Capacity building activities under Component 3 will strengthen the application of standards during planning, implementation, monitoring and maintenance, ensuring sustainability beyond the project period.

**Table 4213: Alignment with National Technical Standards and AF ESP**

| Project Component / Activity                                                                                              | Applicable National Technical Standard / Regulation                                                                                          | Relevant AF ESP Principle(s) | Responsible Government Institution                          | Compliance Mechanism                                                                                                                                                                    | Capacity-building Support                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Component 1:</b> Rehabilitation of Thona drainage systems, irrigation tanks and saltwater intrusion bunds              | Irrigation Department Guidelines for Rehabilitation of Minor Irrigation Systems (2020); Agrarian Development Department Technical Guidelines | 1, 2, 4, 9                   | Irrigation Department; Department of Agrarian Development   | Hydrological investigations; engineering design approval; technical review; construction supervision; final certification                                                               | Training of LAs, Farmer Organizations and community groups on operation, maintenance and climate-resilient water management                                                                             |
| <b>Component 1:</b> Stormwater drainage improvements, culverts and bridges                                                | UDA Zoning and Drainage Guidelines; Standard Specifications for Construction and Maintenance of Roads and Bridges (RDA/CIDA)                 | 1, 2, 3, 4, 5, 9             | UDA; RDA; Construction Industry Development Authority       | Engineering design review; development permits; construction supervision; compliance inspections                                                                                        | Capacity building for LAs on climate-resilient urban drainage planning, infrastructure maintenance and asset management                                                                                 |
| <b>Component 1:</b> Wetland, riparian and ecosystem restoration                                                           | National Environmental Act; Fauna and Flora Protection Ordinance; Forest Ordinance                                                           | 1, 9, 10, 11, 12             | CEA; Department of Wildlife Conservation; Forest Department | Environmental screening; IEE/EIA where required; biodiversity safeguards; environmental monitoring                                                                                      | Training on ecosystem restoration, biodiversity conservation and environmental monitoring for community organizations and LAs                                                                           |
| <b>Component 2:</b> Flood forecasting, hydrological monitoring, decision-support systems and early warning                | Disaster Management Act No.13 of 2005; Disaster Management Centre technical protocols; National Spatial Data Infrastructure standards        | 1, 3, 5, 11, 13              | DMC; Department of Meteorology; Survey Department           | Integration with national forecasting systems; data quality assurance; operational protocols; inter-agency coordination                                                                 | Capacity building for DMC, LAs and VDMC on monitoring, forecasting and early warning dissemination                                                                                                      |
| <b>Component 3:</b> Climate-resilient land-use planning, ecosystem restoration governance and institutional strengthening | National Physical Planning Department (NPPD) Specifications; UDA Planning Standards; Local Authority Planning Regulations                    | 1, 2, 3, 5, 6, 9, 10         | NPPD; UDA; LAS                                              | Integration of climate risk and ecosystem considerations into local development plans; technical review of planning instruments; compliance with planning and environmental regulations | Training for LAs, VDMCs and community organizations on climate risk screening, EbA, climate-resilient land-use planning, co-management of Thona networks, and enforcement of local planning regulations |

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| Community-based implementation across all components | National Procurement Guidelines for Community-Based Organizations; Government Financial Regulations | 1, 2, 5 | Ministry of Finance; LAs; District Secretariat | Community procurement procedures; financial reporting; audits; contract monitoring | Training for community organizations in procurement, financial management, safeguards and reporting |
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## F. Other Funding Sources.

**47-106.** The proposed project has been designed following a structured review of ongoing, approved, and pipeline climate resilience and development investments in Sri Lanka, supported by national consultations with relevant technical agencies and LAs in Batticaloa. The project is explicitly positioned within a distinct adaptation niche focused on ecosystem-based restoration of Thona drainage systems, lagoon-settlement hydrological connectivity, and community-scale flood and salinity risk reduction in Batticaloa. Existing and planned initiatives in Sri Lanka largely address sector-specific infrastructure (irrigation, flood control, agriculture productivity), basin-scale water resource management, or coastal/marine livelihoods, whereas this project targets the localized hydrological interface between ecosystems and settlements, which remains under-addressed in current programming.

**48-107.** Lessons from the Climate Resilience Improvement Project (CRIP) and the Integrated Watershed and Water Resources Management Project demonstrate that large-scale infrastructure is most effective when complemented by community-based ecosystem restoration, integrated watershed governance, and localized climate-risk planning. These lessons have informed the project's emphasis on integrating hybrid (grey-green) solutions, community co-management, and institutional coordination in Batticaloa. Accordingly, the project ensures full complementarity and no duplication through spatial targeting, functional differentiation, and institutional coordination mechanisms.

**Table 4314: Other Funding Sources**

| Project Name                                                                                                  | Donor and Project Period                                                                          | Focus Area                                                                           | Geographic Scope                          | Relationship to Proposed Project                                  | Duplication Avoidance and Complementarity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Empowering Coastal Sri Lanka: Livelihoods and Preparedness for a Climate-Resilient Future (E-COAST Sri Lanka) | Adaptation Fund (Project period: 2027-2032) AF Pipeline                                           | Coastal livelihoods, fisheries resilience, coastal disaster preparedness             | Coastal districts including Batticaloa    | Shares broad climate resilience objectives in coastal zones       | No duplication. E-COAST focuses on marine and coastal livelihood systems, fisheries resilience, and coastal disaster preparedness, whereas the proposed project targets inland-lagoon-Thona drainage systems and buffers, wetland restoration, and settlement-scale flood pathways and preparedness for last mile outreach. Although geographically adjacent in Batticaloa District, the two interventions are functionally distinct across marine vs. inland hydrological systems, with coordination ensured through national and district climate governance platforms. |
| Mundeni Aru River Basin Development Project                                                                   | AFD / EU / GoSL (Project period: long-term basin development programme-Planning stage Euro 172mn) | Large-scale river basin development, irrigation infrastructure, flood risk modelling | Batticaloa and Ampara (Mundeni Aru Basin) | Provides basin-scale hydrological data                            | No duplication. Complementary at hydrological interface level. The proposed project does not intervene in major irrigation or basin infrastructure. Instead, it operates at micro-hydrological scale within Thona drainage networks and lagoon-settlement interfaces in Batticaloa. Basin-level flood hydrological datasets from this project will be used as inputs for localized adaptation planning and community early warning systems, ensuring vertical integration rather than duplication.                                                                        |
| Climate Resilience Improvement Project (CRIP)                                                                 | World Bank / GoSL (Project period: ongoing national infrastructure programme) USD 152mn           | Flood control infrastructure, dam safety, hydromet systems                           | National (including Eastern Province)     | National-scale flood forecasting and infrastructure strengthening | No duplication. Strong systems complementarity. CRIP focuses on macro-level flood infrastructure, dam safety, and forecasting systems, whereas the proposed project focuses on community-managed drainage restoration, EbA, and settlement-level flood mitigation in Batticaloa lagoon-Thona systems. Hydrometeorological data and forecasting outputs from CRIP will strengthen local decision-making without overlap in physical investments.                                                                                                                           |
| Integrated Watershed and Water Resources Management Project                                                   | World Bank / GoSL (Project period: 2022-2024) USD 75mn                                            | Watershed governance, water resource planning, institutional strengthening           | Mahaweli River Basin                      | Provides institutional and technical watershed management lessons | No duplication. Contextual and methodological complementarity. The project is geographically outside Batticaloa but provides transferable lessons on watershed governance, institutional coordination, and participatory water management. The proposed intervention applies these principles specifically to the lagoon-Thona micro-watershed system in Batticaloa, adapting methodologies rather than replicating investments.                                                                                                                                          |

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|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Integrated Rural (Rurban) Development and Climate Resilience Programme                                                      | World Bank (Project period: 2025–2030) USD 120 mn | Rural livelihoods, climate-smart agriculture, value chains        | Multi-district including Batticaloa, Ampara, Northern Province | Supports rural resilience and agricultural transformation                           | No duplication. Functional differentiation. While the Rurban programme focuses on agriculture productivity, rural infrastructure, and value chain development, the proposed project targets ecosystem restoration, flood-risk reduction, drainage rehabilitation, and hydrological resilience in settlement and lagoon systems. Overlap in geography is addressed through clear separation of sectoral mandates and coordination with district planning authorities.                                                                                                                                                                                                                                  |
| UNDP / UN-Habitat / FAO Proposed Joint Programme (Integrated Community-Led Adaptation and Climate Risk Reduction Programme) | Under concept note / planning stage USD20m        | Climate-risk-informed planning, EbA, community resilience systems | National with pilot districts including Batticaloa             | Potential strategic partner programme with thematic alignment in climate resilience | No duplication. Complementary at design stage; coordination to be ensured if approved. Both initiatives share common thematic areas such as EbA and climate-risk-informed planning; however, the proposed B-CARE intervention is focused specifically on Batticaloa's Thona-lagoon hydrological system and settlement-scale flood resilience, while the UNDP-led proposal is envisaged as a broader national framework for integrated climate-risk governance and poverty resilience systems. If both proceed, coordination mechanisms will be established to ensure geographic and functional differentiation, avoiding duplication while enabling mutual learning and scaling of EbA methodologies. |

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## G. Learning and Knowledge Management

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**56-108.** The project adopts a locally led adaptation approach, where communities are active contributors to knowledge generation, validation and application. Community members—including women, youth, fisher groups, farmer organizations, VDMCs, and other vulnerable groups—will participate in seasonal reflection meetings, participatory monitoring, and co-management reviews following flood and drought events. These forums will document local observations on Thona performance, flooding patterns, salinity intrusion, ecosystem recovery and the effectiveness of adaptation measures.

**57-109.** The findings will be jointly reviewed with LAs and technical agencies to adjust restoration priorities, maintenance schedules, annual work plans, community investments and operation and maintenance arrangements throughout implementation. Progress will be monitored through participation records, pre- and post-training assessments, community feedback surveys and annual learning reviews to ensure feedback loops to inform adaptive management and allow interventions to be adjusted where necessary.

**58-110.** Similarly, traditional and Indigenous knowledge relating to historical flood pathways, Thona management, lagoon hydrology, water-sharing practices and ecosystem stewardship will be documented through participatory consultations with the free, prior and informed consent of participating communities. Knowledge holders will be acknowledged, and information will be used only in accordance with agreed community protocols and the AF ESP. Local knowledge will complement hydrological modelling, ecosystem assessments and climate information services and will be periodically validated with communities and technical agencies before being incorporated into restoration planning, land-use planning and flood management decisions.

**59-111.** Learning generated through Component 3 demonstration activities—including ecosystem restoration, hydrological monitoring, co-management of Thona networks, climate-resilient land-use planning and community adaptation measures—will be translated into practical knowledge products, including technical guidelines, operational manuals, policy briefs, case studies, multimedia materials and training modules.

**60-112.** To ensure equitable access, knowledge products will be produced in Sinhala, Tamil and English, using printed materials, community meetings, local radio, demonstration sites, mobile information platforms and digital repositories. This blended approach ensures that communities with limited digital connectivity can equally access and use project knowledge.

**61-113.** Learning generated by the project will be institutionalized through existing government planning and coordination mechanisms. Lessons and technical guidance will be integrated into LA development planning, watershed management, NbS co-management arrangements, disaster preparedness planning and climate-resilient land-use planning processes. Regular learning exchanges involving the MoE, District Secretariat, UDA, NPPD, Department of Irrigation, Department of Agrarian Development and other technical agencies will review implementation experience and incorporate validated lessons into technical guidelines and future investment planning.

**62-114.** Annual learning forums and policy dialogues will disseminate evidence nationally, while partnerships with universities will support independent research, student internships and scientific documentation of adaptation outcomes, strengthening long-term national capacity for EbA.

**Table 4415: Summary of Knowledge Management Strategy**

| Learning & Knowledge Management Element               | Project Strategy                                                                                                                                                                                                            | How Learning is Used / Institutionalized                                                                                                                                                                                 | Monitoring & Feedback                                                                                                            |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| <b>Community participation in learning</b>            | Communities, including women, youth, farmers, fishers, VDMCs and vulnerable groups, participate in seasonal reflection meetings, participatory monitoring, NbS co-management reviews and ecosystem restoration assessments. | Community observations are used to revise restoration priorities, annual work plans, operation and maintenance arrangements, and local adaptation measures.                                                              | Participation records, community feedback surveys, seasonal learning reports and annual learning reviews.                        |
| <b>Knowledge generation and adaptive management</b>   | Component 3 demonstration sites function as learning laboratories, generating evidence on ecosystem restoration, flood management, hydrological connectivity, and community adaptation.                                     | Evidence is analyzed jointly by communities, LAs and technical agencies to improve implementation and guide future investments.                                                                                          | MEL reports, technical assessments, annual adaptive management reviews and Project Steering Committee meetings.                  |
| <b>Traditional and Indigenous knowledge</b>           | Historical flood pathways, Thona management practices, lagoon ecology and traditional coping strategies are documented through participatory consultations with Free, Prior and Informed Consent (FPIC).                    | Traditional knowledge is validated alongside scientific evidence and incorporated into restoration design, land-use planning and climate adaptation guidance, while respecting community ownership and agreed protocols. | Community validation workshops, documentation records and periodic technical reviews.                                            |
| <b>Knowledge products and accessibility</b>           | Technical guidelines, operational manuals, policy briefs, case studies, videos and awareness materials are prepared in Sinhala, Tamil and English using both digital and non-digital formats.                               | Knowledge products support planners, LAs and communities to replicate successful EbA practices beyond the project sites.                                                                                                 | User feedback, distribution records, website analytics (where applicable) and stakeholder evaluations.                           |
| <b>Institutionalization within government systems</b> | Lessons are integrated into local authority planning, watershed management, disaster preparedness, Thona co-management arrangements and climate-resilient land-use planning processes.                                      | Government agencies use project evidence to update technical guidance, planning procedures and future climate adaptation investments.                                                                                    | Policy dialogue outcomes, adoption of technical guidance, integration into local planning documents and institutional reporting. |
| <b>Knowledge dissemination and scaling</b>            | National and district learning events, peer-to-peer exchanges, university partnerships and technical networks disseminate project lessons and best practices.                                                               | Successful approaches are promoted for replication in similar lagoon, wetland and flood-prone landscapes across Sri Lanka.                                                                                               | Learning event reports, knowledge-sharing statistics, research outputs and replication initiatives.                              |

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## H. Consultative process

63-115. 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, indigenous community representatives, women's organizations, farmer organizations and affected rural and urban communities. There will be further consultations with these stakeholders during further development of the full proposal keeping in mind GESI principles.

**Table 15-16 Stakeholders and Communities Engaged in Consultations**

| No | Name of People Participated                                                                                                                                                               | Date of Meeting | Key Points Agreed/ Discussed                                                                                                                                                                                                                                                                                                                                                       | How inputs informed project design                                                                                                                                                                                                                                                                                                                                                                         |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 01 | <b>Provincial Irrigation (Chenkalady): Eng. ASM Irsath,</b><br>Ms. Aziza (Deputy Country Programme Manager - DCPM, UN-Habitat)<br>Eng. Aleem (National Project Manager - NPM, UN-Habitat) | 17/06/2025      | <ul style="list-style-type: none"> <li>Improve spillways of 4 medium-sized tanks to enhance climate resilience and reduce downstream flood risk</li> <li>Incorporate tanks into broader flood adaptation strategy.</li> </ul>                                                                     | Recommendations on spillway improvements and hydrological connectivity informed Activities under component 1, prioritizing rehabilitation of strategically selected irrigation tanks as part of ecosystem-based restoration of the micro-hydrological (lagoon-Thona) system, rather than stand-alone infrastructure investments                                                                            |
| 02 | <b>Eravur Urban Council: Chairman M.S. Naleem,</b><br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)                                                                        | 17/06/2025      | <ul style="list-style-type: none"> <li>Restore Silted Thona system to reduce flood risks</li> <li>Master plan implementation expected to benefit approximately 18,500 families</li> <li>Ward offices with focal officers established to improve community responsiveness.</li> <li>Letter dated 07.07.2025 endorsing proposed B-CARE project and nominating focal point</li> </ul> | Strong emphasis on restoring silted Thona networks informed Activities 1.1.1 and 1.1.2, while ward-level coordination mechanisms informed Activity under output 1.1 and 2.1 on community co-management, participatory implementation, and monitoring                                                                                                                                                       |
| 03 | <b>Women's Self-Help Group:</b><br>President and 6 members<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Mr. Razeen (UN-Habitat)                                     | 18/06/2025      | <ul style="list-style-type: none"> <li>Strengthen women's role in flood response and water management</li> <li>Reactivate village disaster committees</li> <li>Improve communication during evacuations</li> <li>Promote ecotourism and community-based resilience initiatives.</li> </ul>      | Component 3 (Activities under output 3.1 strengthened to establish women-led early warning groups, strengthen VDMCs, promote women's participation in NbS co-management and ensure gender-responsive community capacity building. Community consultations also highlighted the need for livelihood opportunities linked to ecosystem restoration to be further developed during full proposal preparation. |
| 04 | <b>Deputy Director of Provincial Irrigation: Eng. S. Subaharan</b><br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Mr. Razeen (UN-Habitat)                             | 18/06/2025      | <ul style="list-style-type: none"> <li>Establish River Basin and Lagoon Task Forces</li> <li>Enhance coordination between upstream and downstream flood management</li> <li>Restore irrigation tanks</li> </ul>                                                                                                                                                                    | The proposal incorporated integrated watershed management, hydrological planning, and coordination mechanisms linking upstream and downstream interventions. Community-based evacuation planning was integrated into                                                                                                                                                                                       |

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |            |                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |            | <ul style="list-style-type: none"> <li>Engage communities in evacuation planning.</li> </ul>                                                                                                                                                                                                                                                         | Component 2.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 05 | <b>Urban Council of Kattankudy:</b> SHM Asfar (Chairman) and 13 Council Members<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Mr. Razeen (UN-Habitat)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 18/06/2025 | <ul style="list-style-type: none"> <li>Revise and implement drainage master plan</li> <li>Prioritize restoration of Thona and stormwater systems</li> <li>Develop early warning systems</li> <li>Strengthen urban flood mitigation and funding mobilization.</li> <li>Letter dated 07.07.2025 endorsing proposed B-CARE project.</li> </ul>          | Confirmed prioritization of Thona restoration, climate-resilient drainage planning (Output 1.1) and localized early warning systems (Output 2.1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 06 | <b>Director of Irrigation – Batticaloa:</b> Eng. M.I.M.Z. Ibrahim<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Mr. Razeen (UN-Habitat)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 18/06/2025 | <ul style="list-style-type: none"> <li>Prioritize tank and bund upgrades (e.g., Kithul Tank)</li> <li>Renovate Munthani Aru basin and abandoned Thonas</li> <li>Conduct hydrological studies</li> <li>Develop evacuation infrastructure in Kiran and Santhiveli</li> </ul> <p>Consider implications of Mundeni Aru project – a loan extended by AFD which has been under development since 2017.</p>                                  | Hydrological modelling and watershed assessments were incorporated before final prioritization of investments. Existing and planned investments (including AFD-supported initiatives) were reviewed to avoid duplication and ensure complementarity. (Activity 1.1.1 and 2.2.1)                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 07 | <b>Stakeholder Consultation Meeting (chaired by GA Batticaloa):</b> 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, <a href="#">Kalkudah</a> Civil Society Organizations, <a href="#">Batticaloa District Civil Society Collective</a> , <a href="#">Wings of Women</a> , Academia (University of Moratuwa, Eastern University), International partners -online ( ICHARM Japan), and UN-Habitat (Ms. Aziza, Eng. Aleem) | 18/06/2025 | <ul style="list-style-type: none"> <li>Finalize concept note for submission to Adaptation Fund by August 2025</li> <li>Select 40 Thonas and 15 tanks for intervention</li> <li>Construction of a saltwater intrusion prevention bund to mitigate the effects of rising lagoon water levels</li> <li>Emphasize early warning systems, equitable water access, strong inter agency coordination, and livelihood restoration.</li> </ul> | The cross-sectoral consultation validated an integrated EbA approach combining restoration of Thona networks, rehabilitation of irrigation tanks, saltwater intrusion management, hydrological forecasting, and community governance, informing Components 1, 2 and 3. While stakeholders initially identified approximately 40 Thonas and 15 irrigation tanks for intervention, these were subsequently re-prioritized through technical assessment, climate-risk analysis, and available financing, resulting in the selection of 30 Thonas and 10 strategically important tanks. Proposals outside the Adaptation Fund's scope (e.g. major infrastructure investments) were referred to relevant government |

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|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                                                                                                                                                                                                                                                                                                                                                                                                         |            | <ul style="list-style-type: none"> <li>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.</li> </ul>                                                                                                                                                                                                                                                                                                                                                             | programmes. programmes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 08  | <b>Vavunatheevu DS and PS:</b><br>Mrs. N. Sathyananthi<br>(Divisional Secretary)<br>Chairman, Pradeshiya Sabha<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Razeen (UN-Habitat)                                                                                                                                                                                                   | 19/06/2025 | <ul style="list-style-type: none"> <li>Prioritize water supply project for 3,500 families</li> <li>Establish treatment plant and distribution system</li> <li>Coordinate with National Water Supply &amp; Drainage Board for connections</li> <li>Improve irrigation system to support 15,000 acres of cultivation.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                       | The proposed water supply scheme and treatment plant were identified as important development priorities but were not included because they fall outside the adaptation scope and financing envelopes of the project. However, concerns regarding water security informed inclusion of irrigation tank rehabilitation, watershed restoration and improved water management measures that contribute to climate resilience were included.                                                                                                                                                                                                                                                                                                          |
| 09  | <a href="#">Indigenous community representatives and post-conflict returnee community representatives from Pondukalchenai (Kiran DS Division) facilitated by Kiran Divisional Secretariat, including Mr. S. Sivanesarasa, Assistant Director Planning (ADP), Kiran DS Division; Mr. Krishnapillai Praqash, President, Kiran Farmer Organization; and Mr. Ravi, Grama Niladhari (GN), Pondukalchenai</a> | 20.06.2025 |  <ul style="list-style-type: none"> <li>Recurrent flooding and prolonged inundation severely affect Indigenous and returnee communities.</li> <li>Blocked natural drainage systems, undersized culverts and inundated access roads restrict mobility and market access.</li> <li>Flooding disrupts traditional livelihoods, including upland cultivation, small-scale paddy farming, fishing, honey collection, forest-based food gathering and seasonal labour.</li> <li>While primary schools are available locally, students must travel to nearby towns for secondary education; flooding frequently disrupts road access and public transport, limiting access to schools, healthcare and other essential services.</li> </ul> | The consultation directly informed the prioritization of Thona restoration, climate-resilient culvert and access improvements, and rehabilitation of hydrological connectivity under Component 1. It also strengthened the project's Locally Led Adaptation approach by integrating Indigenous Peoples and returnee communities into community-government co-management arrangements, participatory planning, monitoring, and decision-making processes. The consultation reinforced targeted inclusion measures for vulnerable groups, including Indigenous Peoples, returnee populations, women and other marginalized communities, consistent with the Adaptation Fund Gender Policy and Principle 2 of the Locally Led Adaptation Principles. |
| 010 | <b>Ministry of Rural Development, Social Security &amp; Community</b>                                                                                                                                                                                                                                                                                                                                   | 28.07.2025 | Endorsement of B-CARE proposal – Letter dated 20.07.2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Reinforced the project's locally led adaptation approach and strengthened                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

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|     | <b>Empowerment:</b><br>Minister Upali Pannilage and Secretary (Acting) A.H.L.D. Gamini Wijesinghe<br><b>UN-Habitat:</b><br>Ms Harshini Halangode (Country Programme Manager), Ms Aziza Usoof (DCPM); Eng. Aleem (NPM)                                                          |                                                                                                                  | institutional ownership for implementation through local government and community organizations.                                                                                  |
| 411 | <b>Ministry of Urban Development, Construction and Housing:</b> Minister Anura Karunathilaka; Secretary Ranjith Ariyaratna<br><b>UN-Habitat:</b><br>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                                                         | Component 3 expanded to include identification of planning and regulatory gaps, climate-resilient land-use planning and preparation of knowledge products to support replication. |
| 412 | <b>Ministry of Finance – National Planning Department:</b><br><b>UN-Habitat:</b><br>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 | Confirmed alignment with national development priorities and informed the preparation of complementarity with ongoing projects and programmes.                                    |

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116. The project concept was developed through a consultation process involving national ministries, provincial and district government agencies, LAs, technical institutions, academia, civil society organizations, farmer organizations, women-led groups and community representatives. Consultations also included indigenous community representatives and returnee community representatives from Pondukalchenai (Kiran DS Division), facilitated through the respective Divisional Secretariats, Kiran Farmer Organization, and Eravur Urban Council. The returnee communities consulted are populations that returned to their original places of residence following the prolonged civil conflict and continue to face challenges associated with limited basic services, infrastructure gaps, and exposure to climate-related risks. Recent reporting in the local newspaper Thinakaran also highlights the continued challenges faced by indigenous families in Panichankerni (Koralai Pattu North – Vaharai DS Division), including poverty, limited access to sanitation, and fragile livelihoods, reinforcing the need to embed equity, inclusion and resilience in project interventions. Communities highlighted concerns related to recurrent flooding, access disruptions, and impacts on climate-sensitive livelihoods and essential services. These concerns informed the project's prioritization of restoring local hydrological systems, improving climate-resilient connectivity, and strengthening inclusive community participation and co-management mechanisms. The consultations contributed to the application of LLA Principle 2 by ensuring that the specific vulnerabilities of indigenous peoples, post-conflict returnee populations, and other marginalized groups were considered in project design and implementation arrangements. Findings from preliminary consultations and focused discussions with key stakeholders/bilateral consultations were consolidated and presented during the district multi-stakeholder consultation chaired by the Government Agent, where priorities were validated and refined through cross-sectoral discussion. Comments received were systematically screened against the project's climate adaptation objectives, eligibility under the Adaptation Fund, technical feasibility while complementing existing investments. Priorities that fell outside the project scope (such as large-scale drinking water supply infrastructure) were referred to relevant government programmes, while adaptation priorities were incorporated into the project design. Particular efforts were made to engage women and community representatives, whose inputs informed the design of gender-responsive governance arrangements, women-led early warning groups and participatory monitoring approaches. During full proposal preparation, stakeholder engagement will be further expanded through a structured gender and social assessment to ensure meaningful participation of women, youth, indigenous peoples, persons with disabilities and other marginalized groups in project design, implementation, monitoring and benefit sharing. During full proposal preparation, stakeholder engagement will be expanded through a structured gender and social assessment to ensure systematic participation of women, youth, Indigenous Peoples, persons with disabilities and other marginalized groups in project design, implementation and monitoring.

**Justification for Funding Requested**

**66-117.** The sustainability of the project has been considered from the very early stage of design. The project targets highly climate-vulnerable and conflict-affected communities, including returnee populations, and aligns with national adaptation priorities and the Adaptation Fund results framework. It strengthens resilience through a locally led adaptation approach combining EbA, climate information systems, institutional strengthening, and community co-management.

**66-118.** Under the business-as-usual scenario, rehabilitation of drainage infrastructure, irrigation tanks and flood management systems is generally undertaken using limited government resources and focuses on restoring damaged assets to their original condition. Such investments rarely incorporate climate projections, hydrological modelling, ecosystem connectivity, watershed planning or participatory management, resulting in repeated damage, increasing maintenance costs and declining effectiveness under more frequent and intense climate events.

**67-119.** The requested Adaptation Fund financing is justified since the full cost of addressing climate risks cannot be met through business-as-usual (BAU) development investments. Existing government resources primarily finance restoration of damaged infrastructure to restore functionality but are insufficient to incorporate climate-resilient design, hydrological modelling, EbA, community co-management, and localized climate information systems required to address increasing flood and drought risks under future climate scenarios. The funding requested through this proposal is fully sufficient to cover the full costs of implementing the specified interventions to address climate risks that continue to prevail with BAU scenarios.

**68-120.** The project provides strong additionality by shifting from reactive infrastructure repair to system-based ecosystem adaptation informed by hydrological connectivity analysis, GIS-based risk mapping, and participatory vulnerability assessments at micro-level hotspots. This ensures that interventions respond to projected climate risks rather than historical damage.

**69-121.** The project will directly benefit approximately 100,000 people (51% women) in climate-vulnerable communities across five DS Divisions through ecosystem restoration, climate-resilient infrastructure, climate information services, and strengthened local capacities. A further 220,000 people will benefit indirectly through improved flood regulation, water security, ecosystem services, early warning systems, and climate-resilient planning enabled by restored interconnected hydrological systems.

**70-122.** The project also generates wider positive transformational impacts, including strengthened district planning systems, improved disaster preparedness, enhanced ecosystem services, and scalable adaptation models for replication. Sustainability is ensured through institutionalized community-government co-management of Thona networks, irrigation systems, and drainage infrastructure; strengthened capacities of VDMCs, farmer organizations, and women-led groups; and integration of climate-resilient planning tools into government systems.

**74-123.** The project allocates 79.9% of AF resources to Components 1 and 2, focusing on physical adaptation and climate information systems, while Component 3 ensures institutional embedding, knowledge management, and scaling.

**Table 4617: Summary of funding justification**

| Project Activity                                            | Business-as-Usual (BAU) Scenario                                                                                                                                                                                      | Adaptation Fund (AF) Project Scenario                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rehabilitation of 30 Thona drainage canals                  | Periodic desilting or reactive repairs where budgets permit. No systematic prioritization or climate analysis.                                                                                                        | Rehabilitation will be prioritized through hydrological assessments, GIS mapping and climate risk analysis to restore the connectivity of the Thona network, wetlands and lagoon system. Community co-management arrangements, operation and maintenance plans, and participatory monitoring will improve long-term sustainability while reducing flood duration and increasing resilience to future climate extremes. |
| Improvement of 3 km of priority stormwater drainage systems | Drainage improvements are generally implemented in response to localized flooding and focus on restoring existing capacity, with limited integration into broader watershed management or future climate projections. | Drainage improvements will be integrated with the wider Thona and watershed system using climate-informed design standards and hydraulic assessments. LAs and community committees will jointly manage operation and maintenance, ensuring long-term functionality under increasing rainfall intensity and urban flooding.                                                                                             |
| Repair and restoration of 10 km of saltwater                | Existing bunds are repaired after damage occurs, with limited consideration of projected sea                                                                                                                          | Bund rehabilitation will incorporate climate risk assessments, hydrological modelling and community knowledge to reduce saline intrusion due to sea level rise into agricultural lands under future                                                                                                                                                                                                                    |

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| intrusion prevention earth bunds                                    | level rise, changing lagoon dynamics or long-term salinity risks. Maintenance is often constrained by limited financial resources.                                                                        | climate scenarios. Farmer organizations will participate in monitoring and maintenance, strengthening long-term protection of productive land and freshwater resources.                                                                                                                                                                                                         |
| Rehabilitation of 10 small and medium irrigation tanks              | Routine rehabilitation restores storage capacity but is generally undertaken as isolated infrastructure maintenance without considering ecosystem services, watershed connectivity or climate resilience. | Rehabilitation will restore water retention, flood attenuation and ecosystem functions through an integrated ecosystem-based approach. Tank selection will be informed by hydrological modelling and vulnerability assessments, while farmer organizations will co-manage operation and maintenance to improve resilience to floods, droughts and changing rainfall patterns.   |
| Creation of riparian green buffers along Thonas at four locations   | Vegetation management is limited and undertaken on an ad hoc basis, with little emphasis on ecosystem restoration, biodiversity enhancement or community stewardship.                                     | Native riparian vegetation will be restored to stabilize canal banks, reduce erosion and sedimentation and flooding, improve biodiversity and strengthen ecosystem services including revenue generation opportunities. Women and youth groups will participate in planting, maintenance and monitoring, promoting long-term stewardship and generating local knowledge on EbA. |
| Improve culverts and bridges at five community-identified locations | Repairs are generally undertaken following infrastructure damage and focus on restoring access, with limited consideration of future flood flows, drainage connectivity or community priorities.          | Community-identified priority crossings will be upgraded using climate-resilient design informed by hydrological studies to improve flood conveyance, drainage connectivity and safe access during extreme weather events. LAs and communities will jointly monitor and maintain these assets to ensure continued performance under changing climate conditions.                |

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#### J. Sustainability of the Project

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**72-124.** The project delivers integrated economic, social, and environmental resilience benefits to highly vulnerable communities at the target locations, while directly addressing the underlying drivers of climate vulnerability identified in the project area, including degraded drainage systems, obstruction of natural hydrological pathways, and fragmented institutional responsibilities for climate risk management. It places with particular emphasis on women, youth, persons with disabilities, and Indigenous groups. It strengthens climate-resilient livelihoods through EbA, hydrological connectivity restoration, and improved climate risk management systems, contributing to long-term adaptive capacity in a conflict-affected and climate-sensitive landscape. The project aligns with national adaptation priorities and the Adaptation Fund results framework, ensuring complementarity across components. It establishes an integrated system of ecosystem restoration, climate information services, institutional strengthening, and community co-management, enabling sustained resilience outcomes beyond project duration. Overall, the intervention shifts communities from reactive coping to proactive, planned adaptation, while strengthening institutional capacity to access and manage future climate finance.

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**73-125. 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. Interventions will be designed using climate-informed hydrological assessments/analysis and EbA principles to improve long-term functionality under future climate scenarios. Community stewardship arrangements and locally appropriate ecosystem-based livelihood opportunities linked to restored Thona networks, and wetlands will strengthen incentives for communities to maintain ecosystem functions beyond the project period. This approach enhances overall wellbeing and the quality of life of vulnerable people, reducing health costs. Furthermore, learning and capacity building will contribute to avoiding future costs related to climate change and the impacts of extreme climate events or disasters. Reduced flood damage avoided losses from saline intrusion and improved water regulation will generate recurring economic benefits that justify continued government investment in maintenance. 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 into future funding opportunities.

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**74-126. Social Sustainability:** Community ownership will be strengthened through establishment or strengthening of Thona Co-management Committees, VDMCs, women-led early warning groups and farmer organizations, which will participate not only in implementation but also in monitoring, maintenance planning and periodic review of adaptation priorities. By fully engaging communities in all their diversities from the targeted settlements with a focus on women, PwDs, indigenous communities, youth and older persons and maintaining a gender balance, 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.

**75-127. Institutional Sustainability:** The project will institutionalize climate adaptation knowledge and decision-support systems within government planning and operational processes. All generated models, geo-spatial data and databases, climate risk assessments, land-use planning tools, technical guidelines and training modules developed under the project will be transferred to relevant national and sub-national institutions with clear responsibilities for updating and application. The project will also address existing fragmentation among agencies responsible for flood management, irrigation, disaster management, land-use planning, and ecosystem management by strengthening coordination mechanisms among government institutions, local authorities, and community organizations. Multi-stakeholder learning forums coordinated by the District Secretariat will review implementation experience, incorporate lessons into district development planning, and facilitate replication in other climate-vulnerable districts. Universities and technical institutions will continue to support applied research, monitoring and periodic refinement of adaptation tools after project completion.

**76-128. 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. Flora and fauna protection and conservation will also be propagated through NbS. Home garden development practices will be considered. NbS will not be implemented as stand-alone restoration activities but as part of an integrated approach combining hydrological modelling, ecosystem restoration, climate-resilient engineering and community stewardship. Riparian vegetation, mangrove restoration, wetland rehabilitation and Thona restoration will reduce erosion, sedimentation, flooding and saltwater intrusion, thereby reducing long-term maintenance requirements and improving the durability of restored systems under increasing climate variability. The project will further strengthen the protection and long-term functionality of restored systems by supporting the identification, mapping, and integration of critical hydrological corridors, including Thona networks and drainage pathways, into local planning processes to reduce future obstruction and degradation caused by unplanned development. Periodic ecological monitoring undertaken jointly by communities and responsible government agencies will support adaptive management of restored ecosystems beyond the project period.

**77-129. Financial sustainability:** Financial sustainability is achieved through integration of climate resilience into existing public investment systems and agency Operation and Maintenance (O&M) frameworks, rather than creating parallel financing mechanisms. Operation and maintenance responsibilities are assigned to relevant agencies including the Department of Irrigation, Agrarian Development Department, LAs and Provincial Irrigation Authorities, with community co-management for routine monitoring and minor maintenance. Clear institutional roles and community-government co-management arrangements will reduce the risk of delayed maintenance and fragmented responsibility that have contributed to the degradation of existing drainage and water management systems. All infrastructure will be formally integrated into government O&M budgets prior to project closure, ensuring continuity of services and long-term functionality.

**78-130.** During full proposal preparation, operation and maintenance plans, including indicative annual maintenance requirements and responsible institutions, will be prepared for all major investments and incorporated into agency work programmes and budgets. All physical assets created or rehabilitated under the project will remain publicly owned and managed by the government institutions that hold the statutory mandate for their operation and maintenance. Rather than representing a simple transfer of assets at project completion, the project will establish community-government co-management arrangements whereby VDMC, Thona Co-management Committees, farmer organizations, women's groups and Indigenous representatives participate in monitoring, routine maintenance planning, reporting of maintenance needs and adaptive management. These arrangements will ensure that local knowledge, community oversight, and institutional responsibilities are combined to maintain restored drainage networks and ecosystem functions beyond the project period. O&M responsibilities, monitoring arrangements and indicative budget requirements will be agreed during implementation and incorporated into the routine work programmes of the agencies responsible, ensuring that locally led adaptation continues beyond the project period.

#### Replication and Scalability

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**79-** The project has been designed as a replicable model for integrated EbA in Sri Lanka. Standardized

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technical guidelines, hydrological assessment methodologies, co-management arrangements, climate-resilient planning tools and knowledge products developed under the project will enable replication by provincial councils, district administrations and LAs using existing government development programmes and future nationally financed climate adaptation initiatives. Replication will therefore depend primarily on institutional uptake and integration into planning systems rather than future external financing alone.

**Table 18: Summary of Project Sustainability**

| Project Component/ Intervention                                                                                                                                                                                                                                   | Economic & Financial Sustainability                                                                                                                                                                                                                                                         | Social & Institutional Sustainability                                                                                                                                                                                                                                                                                                                                                                                                                                          | Environmental Sustainability                                                                                                                                                                                   | Operation, Maintenance & Monitoring after Project Closure                                                                                                                                                                                                                                                                                                                                                       |
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| Component 1: Restoration of Thona networks, wetlands, and associated drainage systems to improve hydrological connectivity, flood management, and ecosystem resilience through co-managed, climate-resilient interventions (Activities 1.1.1 to 1.1.4 and 1.2.1). | Reduced floods and salinity losses reduce long-term recovery costs and protect agriculture, fisheries and urban livelihoods. Selected works implemented through community contracting (CBOs, farmer organizations, women/youth groups) ensuring local income generation and O&M incentives. | Thona Co-management Committees, VDMCs, Farmer Organizations, women-led groups, and Indigenous representatives participate in planning, monitoring, and routine maintenance. Farmer Organizations are also engaged through community contracting modalities as implementation partners, strengthening ownership, accountability, and local stewardship. Increased health and well-being co-benefits are also anticipated. Capacity strengthening is provided under Component 3. | Climate-informed restoration using hydrological assessments, native riparian vegetation and ecosystem-based approaches reduce erosion and sedimentation while improving watershed resilience and biodiversity. | <b>Lead:</b> Irrigation Department & LAs. <b>Community role:</b> routine canal upkeep, reporting blockages, vegetation management under co-management and community contracts. <b>Monitoring:</b> seasonal inspections + community monitoring system.                                                                                                                                                           |
| Component 1- Rehabilitation of medium irrigation tanks and saltwater exclusion bunds (Activity 1.2.2-1.2.3)                                                                                                                                                       | Protects productive agricultural land and food and water security and reduces climate-related losses. Maintenance incorporated into responsible agency asset management programmes.                                                                                                         | Farmer Organizations are engaged not only in consultation but as contracted implementation partners under a community contracting modality, participating in rehabilitation works, water management planning, and joint monitoring with government agencies. This strengthens ownership, accountability, and long-term stewardship.                                                                                                                                            | Climate-resilient design based on hydrological modelling and future flood projections improves durability and reduces future repair requirements.                                                              | <b>Lead:</b> Provincial Irrigation Department & Department of Irrigation. <b>Community role:</b> Farmer Organizations contracted under community-based implementation arrangements for routine maintenance, minor repairs, and monitoring support, with oversight by government agencies. <b>Monitoring:</b> pre- and post-monsoon inspections, structural assessments, and participatory reporting mechanisms. |
| Component 2 – Flood forecasting, DSS and Early Warning System                                                                                                                                                                                                     | Reduced disaster losses justify continued government investment in operation of forecasting systems. Data is integrated into existing government information systems.                                                                                                                       | Institutional integration of DMC, Irrigation Dept., Met Dept. and LAs with VDMCs and women-led early warning groups for last-mile dissemination and validation, ensures coordinated multi-stakeholder preparedness and response.                                                                                                                                                                                                                                               | Continuous monitoring improves adaptive management of floods and ecosystems.                                                                                                                                   | <b>Lead:</b> DMC & Meteorological Dept. <b>Community role:</b> data collection (rain/river gauges), alert dissemination. <b>Monitoring:</b> system audits + community validation feedback loops.                                                                                                                                                                                                                |
| Component 3 – Capacity building, knowledge management and climate-resilient planning                                                                                                                                                                              | Improved institutional capacity enables LAs to access national climate finance and integrate adaptation into annual planning and budgeting                                                                                                                                                  | Climate-resilient planning tools, land-use guidance, training modules and community monitoring systems institutionalized within District Secretariats, LAs and relevant ministries. Women, Indigenous persons, youth and persons with                                                                                                                                                                                                                                          | Knowledge generated through participatory monitoring supports adaptive ecosystem                                                                                                                               | <b>Lead:</b> District Secretariat, LAs and relevant national agencies. <b>Monitoring:</b> annual multi-stakeholder learning forums, periodic updating of planning tools and integration into district development plans.                                                                                                                                                                                        |

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|  | <a href="#">processes</a> | <a href="#">disabilities represented in governance structures and annual learning forums enable feedback loops and adjustments to interventions</a> | <a href="#">management and replication of EbA approaches</a> |  |
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**Table 17: Summary of Project Sustainability**

| Project Component/<br>Intervention                                                                                                                                                                                                                                | Economic & Financial Sustainability                                                                                                                                                                                                                                                         | Social & Institutional Sustainability                                                                                                                                                                                                                                                                                                                                                                                                                                          | Environmental Sustainability                                                                                                                                                                                   | Operation, Maintenance & Monitoring after Project Closure                                                                                                                                                                                                                                                                                                                                                      |
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| Component 1: Restoration of Thona networks, wetlands, and associated drainage systems to improve hydrological connectivity, flood management, and ecosystem resilience through co-managed, climate-resilient interventions (Activities 1.1.1 to 1.1.4 and 1.2.1). | Reduced floods and salinity losses reduce long-term recovery costs and protect agriculture, fisheries and urban livelihoods. Selected works implemented through community contracting (CBOs, farmer organizations, women/youth groups) ensuring local income generation and O&M incentives. | Thona Co-management Committees, VDMCs, Farmer Organizations, women-led groups, and Indigenous representatives participate in planning, monitoring, and routine maintenance. Farmer Organizations are also engaged through community contracting modalities as implementation partners, strengthening ownership, accountability, and local stewardship. Increased health and well-being co-benefits are also anticipated. Capacity strengthening is provided under Component 3. | Climate-informed restoration using hydrological assessments, native riparian vegetation and ecosystem-based approaches reduce erosion and sedimentation while improving watershed resilience and biodiversity. | <b>Lead:</b> Irrigation Department & LAs. <b>Community role:</b> routine canal upkeep; reporting blockages, vegetation management under co-management and community contracts. <b>Monitoring:</b> seasonal inspections + community monitoring system.                                                                                                                                                          |
| Component 1: Rehabilitation of medium irrigation tanks and saltwater exclusion bunds (Activity 1.2.2-1.2.3)                                                                                                                                                       | Protects productive agricultural land food and water security and reduces climate-related losses. Maintenance incorporated into responsible agency asset management programmes.                                                                                                             | Farmer Organizations are engaged not only in consultation but as contracted implementation partners under a community contracting modality, participating in rehabilitation works, water management planning, and joint monitoring with government agencies. This strengthens ownership, accountability, and long-term stewardship.                                                                                                                                            | Climate-resilient design based on hydrological modelling and future flood projections improves durability and reduces future repair requirements.                                                              | <b>Lead:</b> Provincial Irrigation Department & Department of Irrigation. <b>Community role:</b> Farmer Organizations contracted under community-based implementation arrangements for routine maintenance, minor repairs, and monitoring support, with oversight by government agencies. <b>Monitoring:</b> pre and post-monsoon inspections, structural assessments, and participatory reporting mechanisms. |
| Component 2: Flood forecasting, DSS and Early Warning System                                                                                                                                                                                                      | Reduced disaster losses justify continued government investment in operation of forecasting systems. Data is integrated into existing government information systems.                                                                                                                       | Institutional integration of DMC, Irrigation Dept., Met Dept. and LAs with VDMCs and women-led early warning groups for last-mile dissemination and validation. ensures coordinated multi-stakeholder preparedness and response.                                                                                                                                                                                                                                               | Continuous monitoring improves adaptive management of floods and ecosystems                                                                                                                                    | <b>Lead:</b> DMC & Meteorological Dept. <b>Community role:</b> data collection (rain/river gauges), alert dissemination. <b>Monitoring:</b> system audits + community validation feedback loops.                                                                                                                                                                                                               |
| Component 3: Capacity building, knowledge management and climate-resilient planning                                                                                                                                                                               | Improved institutional capacity enables LAs to access national climate finance and integrate adaptation into annual planning and budgeting processes.                                                                                                                                       | Climate-resilient planning tools, land-use guidance, training modules and community monitoring systems institutionalized within District Secretariats, LAs and relevant ministries. Women, Indigenous persons, youth and persons with disabilities represented in governance structures and annual learning forums enable feedback loops and adjustments to interventions.                                                                                                     | Knowledge generated through participatory monitoring supports adaptive ecosystem management and replication of EbA approaches.                                                                                 | <b>Lead:</b> District Secretariat, LAs and relevant national agencies. <b>Monitoring:</b> annual multi-stakeholder learning forums; periodic updating of planning tools and integration into district development plans.                                                                                                                                                                                       |

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## K. Environmental and Social Impacts and Risks

80-132. The project involves physical infrastructure interventions (Upgrading bridges and culverts, saltwater intrusion bund and rehabilitation of small irrigation tanks) carrying medium-level environmental and social risks, manageable through an Environmental and Social Management Plan (ESMP) and monitored via an E&S Monitoring Plan. Screening confirmed the project does not involve involuntary resettlement, impacts on critical/legally protected habitats, indigenous peoples, or cultural heritage sites, and does not require an environmental license. Category B is therefore confirmed as the appropriate classification. The project does not include Unidentified Sub-Projects (USPs), as all proposed interventions have been sufficiently defined in terms of their scope, nature, and target locations to allow environmental and social risks to be identified during project preparation. Any technical refinements during implementation will remain within the approved project framework and will be subject to ESMP screening and Adaptation Fund Environmental and Social Policy and Gender Policy requirements.

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**Table 48-19 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Compliance with the Law</u>                   |                                               | <b>Low risk</b> of non-compliance with environmental, labour, land-use, and municipal regulations during small-scale works and ecosystem restoration, particularly during final site selection and design. This will be <b>mitigated</b> through mandatory ESP-based screening for all subprojects, securing all required statutory approvals (including National Environmental Act, provincial/municipal clearances, and sectoral technical approvals), and integrating compliance requirements into procurement, contracts, and community contracting agreements. A compliance log will be maintained by the DPMU with UN-Habitat oversight to ensure continuous monitoring and corrective action.                                                                                                                                                                                                                                                                              |
| <u>Access and Equity</u>                         |                                               | <b>Moderate risk.</b> There could be a risk of unequal access to project benefits particularly for vulnerable and marginalized groups. <b>Mitigation:</b> 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. <u>Key issues have been considered through the initial gender assessment conducted at Concept Note stage.</u> UN-Habitat's participatory process, (Peoples Process <sup>49</sup> ) 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. |
| <u>Marginalized and Vulnerable Groups</u>        |                                               | <b>Low risk.</b> Vulnerable groups identified through consultations and national poverty databases (Samurdhi and Aswesuma) will be re-verified during full proposal development. <b>Mitigation</b> measures include: (i) inclusive targeting and prioritization of women, youth, persons with disabilities, Indigenous and low-income households; (ii) mandatory representation in VDMCs, Thona committees, and co-management structures; (iii) engagement through community contracting for implementation and maintenance activities; and (iv) continuous monitoring of participation and benefit distribution to ensure equity and inclusion                                                                                                                                                                                                                                                                                                                                   |
| <u>Human Rights</u>                              |                                               | <b>Low risk.</b> The project follows a rights-based approach aligned with national legal frameworks and UN principles on equality, non-discrimination, participation, and access to information. No adverse impacts on Adaptation Fund policies are anticipated. <b>Mitigation</b> measures include: (i) implementation of a Stakeholder Engagement Plan ensuring inclusive and meaningful participation; (ii) information disclosure in accessible formats and local languages; (iii) establishment of a multi-tier grievance redress mechanism; and (iv) continuous monitoring to identify and address exclusion, discrimination, or rights-related concerns in a timely manner                                                                                                                                                                                                                                                                                                 |
| <u>Gender Equality and Women's Empowerment</u>   |                                               | <b>Moderate risk:</b> Women's participation and benefits may be hindered by systemic (cultural) gender disparities in project areas. <b>Mitigation:</b> 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.                                                                                                                                                                                                                  |
| <u>Core Labour Rights</u>                        |                                               | <b>Low risk.</b> Sri Lanka has ratified key International Labour Organization (ILO) conventions on core labour standards. The project will comply with national labour laws and UN-Habitat safeguards, ensuring protection of workers' rights across all project activities. <b>Mitigation</b> measures include implementation of Labour Management Procedures (LMP) and Occupational Health and Safety (OHS) requirements in line with national regulations and Adaptation Fund/UN standards; inclusion of contractor codes of conduct prohibiting child and forced labour; mandatory provision of personal protective equipment (PPE) and safety induction training; regular site supervision and reporting; and enforcement of corrective actions through contract management and compliance monitoring mechanisms.                                                                                                                                                            |

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<sup>49</sup> Peoples Process is a bottom-up community development methodology that places residents at the heart of project planning and implementation

|                                                     |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Indigenous Peoples</i>                           |                   | <b>Moderate risks.</b> During the project conception formulation stage, presence of indigenous people were identified in a few locations of the target areas. <b>Mitigation:</b> 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 their diversity during full proposal preparation stage.                                                                                                                                                                                                              |
| <i>Involuntary Resettlement</i>                     | <u>No risk. X</u> | 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                                                                                                                                                                                                                                                                                                                                                                                 |
| <i>Protection of Natural Habitats</i>               |                   | <b>Low risk.</b> Project activities are unlikely to overlap with legally protected or high conservation value areas, though this will be confirmed during full proposal screening. <b>Mitigation</b> measures include biodiversity screening for all sites, avoidance of sensitive habitats, prioritization of degraded areas, use of native species, preparation of site-specific ESMPs for the risk works, and ecological monitoring during implementation                                                                                                                                                                                                                                                   |
| <i>Conservation of Biological Diversity</i>         |                   | <b>Low risk.</b> The project promotes ecosystem restoration through NbS and will not introduce invasive species. <b>Mitigation</b> measures include biodiversity screening during project preparation, use of only native or locally adapted non-invasive species, compliance with the Fauna and Flora Protection Ordinance and the National Invasive Alien Species (IAS) Policy, application of ESMPs for relevant activities, and regular biodiversity monitoring throughout implementation.                                                                                                                                                                                                                 |
| <i>Climate Change</i>                               |                   | <b>Low risk.</b> The project promotes climate-resilient, NbS and does not involve large-scale construction or land conversion. <b>Mitigation measures</b> include application of climate-risk screening to all interventions, use of validated climate and hydrological data for planning and design, application of climate-resilient design standards, and technical review to ensure interventions remain robust under future climate scenarios.                                                                                                                                                                                                                                                            |
| <i>Pollution Prevention and Resource Efficiency</i> |                   | <b>Low to Medium risk.</b> The risks may arise from construction waste, spoil, and disposal of invasive vegetation during rehabilitation works. <b>Mitigation</b> measures include implementation of ESMP-based waste management and pollution control measures, safe handling and disposal of waste and invasive species, contractor compliance with environmental requirements, coordination with LAs for disposal and recycling where feasible, and regular monitoring of pollution prevention and resource efficiency during implementation.                                                                                                                                                               |
| <i>Public Health</i>                                |                   | Low risk. Temporary health and safety risks may arise during small-scale construction and ecosystem restoration activities. <b>Mitigation measures</b> include implementing community health and safety provisions through the ESMF/ESMPs, including site management, traffic management, dust and noise control, safe water measures, advance community notification of works, and monitoring of incidents and grievances through the project Grievance Redress Mechanism (GRM).                                                                                                                                                                                                                              |
| <i>Physical and Cultural Heritage</i>               |                   | <b>Low risk.</b> No known physical or cultural heritage sites are currently identified within project intervention areas, subject to confirmation during full proposal preparation through consultations with relevant authorities and local communities, including religious and cultural institutions. <b>Mitigation measures</b> include application of Chance Find Procedures under the ESMF, contractor and site supervisor training, and coordination with relevant authorities in accordance with the Antiquities Ordinance in the event of any accidental discoveries during excavation or earthworks.                                                                                                 |
| <i>Lands and Soil Conservation</i>                  |                   | <b>Low risk.</b> Project activities may cause localized soil disturbance, erosion, or sedimentation if not properly managed during restoration and small-scale works, particularly in drainage and watershed areas, with potential downstream impacts on waterways and irrigation systems. <b>Mitigation measures</b> include soil and slope stability screening during site selection and design, incorporation of soil conservation and bioengineering measures within ESMPs, seasonal phasing of works to avoid high rainfall periods, and ongoing monitoring of soil stability and drainage performance with corrective maintenance through responsible agencies and community co-management arrangements. |

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## PART III: IMPLEMENTATION ARRANGEMENTS

**84-133.** This project is designed and implemented in full alignment with the 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.

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**82-134.** 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 NbS, Thona rehabilitation, small-scale grey 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.

**83-135.** 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.

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### Governance and Oversight – Project Steering Committee (PSC)

**84-136.** A Project Steering Committee (PSC) will be established at national level to provide strategic oversight, policy direction, and performance review. It will comprise the Ministry of Environment, Batticaloa District Secretariat, Department of Irrigation, Disaster Management Centre (DMC), and the Provincial Commissioner of Local Government. The PSC will meet biannually to review progress, address strategic issues, and ensure alignment with national adaptation priorities.

**85-137.** At district level, a District Project Management Unit (DPMU) will be established within the Batticaloa District Secretariat as the operational coordination platform for implementation. It will include relevant technical agencies, LAs, and nominated representatives from community institutions such as VDMCs, Farmer Organizations, and Thona Co-management Committees, ensuring direct linkage between field implementation and community priorities.

**86-138.** Consistent with LLA principles, a District Multi-Stakeholder Advisory Group (DMSAG) will be established, comprising representatives from VDMCs, Farmer Organizations, CBOs, women's groups, indigenous communities, youth, civil society, and technical agencies. The DMSAG will meet prior to each quarterly district coordination session to provide community feedback, identify risks, and recommend adaptive actions. The DMSAG feeds community priorities into the DPMU, which consolidates and integrates them into implementation planning and coordination. Key issues requiring strategic direction are escalated from the DPMU to the PSC, while PSC decisions are communicated back through the DPMU to local institutions. This establishes a continuous two-way feedback loop between community, district, and national levels, ensuring coordinated implementation, transparency, and adaptive decision-making throughout the project lifecycle.

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

87-139. The proposed project's overall and specific objectives, as well as the anticipated project outcomes align closely with several Fund outcomes (2, 3, and 5) and outputs (2.1,3.2 and 5.1). Table 17 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 17-20 Project Alignment with Results Framework of Adaptation Fund**

| Project Objective(s)                                                                                                                                                                                                                             | 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                                                                                   | 4,170,507          |
| <b>Total outcome level grant amount</b>                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                 |                                                                                                                                                                                                                | 4,170,507          |
| Project Outcome(s)                                                                                                                                                                                                                               | Project Outcome Indicator(s)                                                                                                                                                                                                                                                                                                                                                                                             | Fund Output                                                                                                                                     | Fund Output Indicator                                                                                                                                                                                          | Grant Amount (USD) |
| Outcome 1: Enhanced community resilience, reduce the vulnerability of human and ecosystem health and economy to climate change impacts and extreme weather events through restoration of ecosystem functions and local hydrological connectivity | Indicator 1.1.1: No. and type of natural resource assets improved and maintained to reduce flood and drought risk<br>Indicator 1.1.2: Number of people (sex and age disaggregated) benefiting from reduced flood, drought, and salinity impacts due to restored ecosystem services.                                                                                                                                      | Output 5.1: Vulnerable ecosystem services and natural resource assets strengthened in response to climate change impacts, including variability | Indicator 5.1: No. of natural resource assets created, maintained or improved to withstand conditions resulting from climate variability and change (by type and scale)                                        | 3,600,000          |
| Outcome 2: Improved adaptive response capacity of communities and local government through integrated hydrological monitoring, forecasting, and climate information systems.                                                                     | 2.1.1: Number of institutions (LAs, district agencies) using climate and hydrological information for planning and emergency response.<br>2.1.2: Number of operational climate information and early warning tools (gauges, models, DSS/dashboard) supporting flood and weather forecasting.                                                                                                                             | Output 2.1: Strengthened capacity of national and sub-national centres and networks to respond rapidly to extreme weather events.               | 2.1.2 No. of targeted institutions with increased capacity to minimize exposure to climate variability risks (by type, sector and scale).                                                                      | 345,507            |
| Outcome 3: Communities and sub-national institutions are empowered to plan, implement, manage, and monitor climate adaptation interventions for long-term resilience.                                                                            | 3.1.1: No. of VDMC (including sex disaggregated data on participation) and women-led organizations capacitated to minimize community exposure to climate change-induced extreme flood events<br>3.1.2: No of local governments supported to implement and monitor adaptation activities<br>3.1.3 Number of local government areas where land use plans incorporate protection and management of Thona drainage networks. | Output 3.2: Strengthened capacity of national and subnational stakeholders and entities to capture and disseminate knowledge and learning       | 3.2.1 No. of technical committees/associations formed to ensure transfer of knowledge<br>3.2.2 No. of tools and guidelines developed (thematic, sectoral, institutional) and shared with relevant stakeholders | 225,000            |
| <b>Total output level grant amount</b>                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                 |                                                                                                                                                                                                                | 4,170,507          |

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| Project Outcome(s)                                                                                                                                                                                                                               | Project Outcome Indicator(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Fund Outcome                                                                                                                                    | Fund Outcome Indicator                                                                                                                                                                                                                                                                                  | Grant Amount (USD) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Outcome 1: Enhanced community resilience, reduce the vulnerability of human and ecosystem health and economy to climate change impacts and extreme weather events through restoration of ecosystem functions and local hydrological connectivity | Indicator 1.1: No. and type of natural resource assets improved and maintained to reduce flood and drought risk<br>Indicator 1.2: Number of people (sex and age disaggregated) benefiting from reduced flood, drought, and salinity impacts due to restored ecosystem services.                                                                                                                                                                                                                                                                                         | Outcome 5: Increased ecosystem resilience in response to climate change and variability induced stress                                          | Indicator 5 (Core Indicator 4): Ecosystems and natural resources brought under protection, restoration, or improved management in response to climate variability and change [# of hectares, disaggregated by type of ecosystem / natural resource area and by protection, restoration, and management] | 3,600,000          |
| Outcome 2: Improved adaptive response capacity of communities and local government through integrated hydrological monitoring, forecasting, and climate information systems.                                                                     | 2.1: Number of institutions (LAs, district agencies) using climate and hydrological information for planning and emergency response.<br>2.2: Number of operational climate information and early warning tools (gauges, models, DSS/dashboard) used by target institutions and communities for flood and weather risk management.                                                                                                                                                                                                                                       | Outcome 2: Strengthened institutional capacity to reduce risks associated with climate-induced socioeconomic & environmental losses             | Indicator 2: Institutions with strengthened capacity to understand and better address climate risks and resilience                                                                                                                                                                                      | 345,507            |
| Outcome 3: Communities and sub-national institutions are empowered to plan, implement, manage, and monitor climate adaptation interventions for long-term resilience.                                                                            | 3.1: No. of VDMC (including sex disaggregated data on participation) and women-led organizations capacitated to minimize community exposure to climate change induced extreme flood events<br>3.2. No of local governments supported to implement and monitor adaptation activities<br>3.3 Number of local government areas where land use plans incorporate protection and management of Thona drainage networks.<br>3.4 Number of people, disaggregated by sex and vulnerable group, with strengthened awareness of climate risks and appropriate adaptation actions. | Outcome 3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level                               | Indicator 3A: People with strengthened awareness of climate change risks and how to better address them<br>[# of people, disaggregated by sex, by vulnerable groups, and by sector]                                                                                                                     | 225,000            |
| Total outcome level grant amount                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                 |                                                                                                                                                                                                                                                                                                         | 4,170,507          |
| Project Outcome                                                                                                                                                                                                                                  | Project Outcome Indicator(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Fund Outcome                                                                                                                                    | Fund Outcome Indicator                                                                                                                                                                                                                                                                                  | Grant Amount (USD) |
| 1.1 Hydrological connectivity and climate-resilient drainage systems restored                                                                                                                                                                    | 1.1.1- No. of Thonas restored<br>1.1.2- No. of Km of drainage restored<br>1.1.3- No. of culverts/bridges restored                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Output 5.1: Vulnerable ecosystem services and natural resource assets strengthened in response to climate change impacts, including variability | Output 5.1: Ecosystems and natural resources targeted by activities to improve protection, restoration, and/or management<br>[# of resources, disaggregated by type of ecosystem / natural resource area and by protection, restoration, and management]                                                | 2,700,000          |

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| 1.2 Ecosystem-based adaptation measures implemented to strengthen natural flood regulation and water security.                                                                                                                          | 1.2.1- No. of EbA measures implemented<br>1.2.2- No. of households directly benefitting from EbA                                                                                                                                                                                                        | Output 5.1: Vulnerable ecosystem services and natural resource assets strengthened in response to climate change impacts, including variability | Output 5.1: Ecosystems and natural resources targeted by activities to improve protection, restoration, and/or management<br>[# of resources, disaggregated by type of ecosystem / natural resource area and by protection, restoration, and management]                            | <b>900,000</b>   |
| 2.1 Community-based hydrological monitoring and climate information systems established.                                                                                                                                                | 2.1.1- No. of rain gauges established<br>2.1.2- No. of people directly benefiting from risk management<br>2.1.3- No. of institutions supported to use hydrological and climate information for planning and emergency response.                                                                         | Output 2.1: Strengthened capacity of institutions to understand and better address climate risks                                                | Indicator 2.1: Institutions supported to strengthen capacity to understand and address climate risks and resilience<br>[# of institutions, disaggregated by scale, by sector, and by type of institution]                                                                           | <b>170,000</b>   |
| 2.2 A river-lagoon flood forecasting model and multi-agency coordination platform established and operational                                                                                                                           | 2.2.1- No. of flood forecasting systems established and operational<br>2.2.2 No. of institutions using flood forecasting information for planning and emergency response.                                                                                                                               | Output 2.1: Strengthened capacity of institutions to understand and better address climate risks                                                | Indicator 2.1: Institutions supported to strengthen capacity to understand and address climate risks and resilience<br>[# of institutions, disaggregated by scale, by sector, and by type of institution]                                                                           | <b>175,507</b>   |
| 3.1 Community institutions strengthened for locally led adaptation and disaster preparedness.                                                                                                                                           | 3.1.1- No of women-led disaster response groups strengthened<br>3.1.2- % of women directly benefitting<br>3.1.3- % of youth directly benefitting<br>3.1.4 Number of people participating in climate-risk awareness and disaster-preparedness activities, disaggregated by sex and vulnerable group.     | Output 3.1: Targeted population groups participating in adaptation and risk reduction awareness activities                                      | Indicator 3.1: People participating in activities to improve awareness of climate risks and how to address them<br>[# of people, disaggregated by sex and by vulnerable groups]                                                                                                     | <b>135,000</b>   |
| 3.2 Climate-responsive planning and co-management systems established in Batticaloa Municipal Council and two Urban Councils, integrating Thona network management into local planning, operation, and maintenance systems              | 3.2.1- No. of government officials and community members benefitting from climate responsive planning and co-management<br>3.2.2 Number of local institutions and/or communities participating in decision-making on the definition, prioritization, design and implementation of adaptation solutions. | Output 3.3: Increased ownership of adaptation and climate risk reduction processes                                                              | Indicator 3.3: Number of local institutions and/ or communities responsible for decision-making over how adaptation solutions are defined, prioritized, designed, and/or implemented<br>[# of local institutions and/or communities, disaggregated by institutions and communities] | <b>45,000</b>    |
| 3.3 One policy review, three knowledge products, and practical guidance on climate-resilient settlement planning prepared and disseminated to support replication and integration into district and local government planning processes | 3.3.1 No. of climate resilience knowledge products/tools developed and shared;<br>3.3.2 No. of government planners and technical officials supported to use the knowledge products/tools.                                                                                                               | Output 3.2: Strengthened capacity of national and subnational stakeholders and entities to capture and disseminate knowledge and learning       | Indicator 3.2: Climate resilience knowledge products and/or tools developed and shared with stakeholders<br>[# of products/tools, by sector]                                                                                                                                        | <b>45,000</b>    |
| <b>Total output level grant amount</b>                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                         |                                                                                                                                                 |                                                                                                                                                                                                                                                                                     | <b>4,170,507</b> |

<sup>1</sup> 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<sup>50</sup>

|                                                                                                                                                                                                                                                                                                                                                                                  |                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| (Enter Name, Position, Ministry)<br>Mr. K.R. Uduwawala<br>Secretary<br>Ministry of Environment<br>No. 416/C/1 "Sobadam Piyasa" Robert<br>Gunawardhana Mawatha, Battaramulla<br>Sri Lanka<br>Tel: +94 112034100 Fax: +94 11 287<br>944<br>Email: <a href="mailto:info@env.gov.lk">info@env.gov.lk</a> ;<br>Alternate emails: <a href="mailto:sec@env.gov.lk">sec@env.gov.lk</a> ; | Date: (02.09.2026) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|

### B. Implementing Entity certification

|                                                                                                                                                     |                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
|                                                                   |                                                                                                 |
| <b>Raf Tuts</b><br>Director, Global Solutions Division<br>UN-Habitat                                                                                |                                                                                                 |
| Date: February 9, 2026                                                                                                                              | Tel. and email: +254-20-762-3736<br>Email: <a href="mailto:raf.tuts@un.org">raf.tuts@un.org</a> |
| 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: <a href="mailto:odicea.angelobarrios1@un.org">odicea.angelobarrios1@un.org</a>                          |                                                                                                 |

<sup>50</sup> 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**  
**சுற்றுநாடல் அமைச்சு**  
**Ministry of Environment**

"සොබාදාම පියස", අංක 416/ජී/1, රොබට් ගුණවර්ධන මාවත, බත්තරමුල්ල, ශ්‍රී ලංකාව.

"சொபாதம் பியச", இல. 416/ஜீ/1, ரொபர்ட் குணவர்தன மாவத்தை, பத்தரமுல்லை, இலங்கை.

"Sobadam Piyasa", No. 416/C/1, Robert Gunawardana Mawatha, Battaramulla, Sri Lanka.

Gen. Tel. +94-11-2034100

**ලේකම්**

செயலாளர்

Secretary

+94-11-2034121

**ෆැක්ස්**

தொலை நகல்

Fax

+94-11-2879944

**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**



Revised PFG Submission Form<sup>1</sup> (additions in red)

Project Formulation Grant (PFG)

Submission Date:

Adaptation Fund Project ID:

Country/ies: Sri Lanka

Title of Project/Programme: Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)

Type of IE (NIE/RIE/MIE): Multilateral Implementing Entity

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

Executing Entity/ies: ~~District Secretariat Batticaloa, UN-Habitat, selected Local Authorities (MC & UCs) Batticaloa Municipal Council (MC), Kattankudy Urban Council (UC) and Eravur Urban Council (UC), Village Disaster Management Committees and Farmer organizations~~

A. Project Preparation Timeframe

|                        |                         |
|------------------------|-------------------------|
| Start date of PFG      | 01.12.2026              |
| Completion date of PFG | 31.04.2027 <del>6</del> |

B. Proposed Project Preparation Activities (\$)

| List of Proposed Project Preparation Activities                   | Output of the PFG Activities                                                                                                      | US\$ Amount | Budget note <sup>2</sup> (linked to AF review comments)                                                                                                                                                                         |
|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Community-informed baseline assessments and participatory mapping | Survey and map <i>Thona</i> drainage networks, flood-prone zones, irrigation tanks, and bunds with active community participation | 25,000      | Combine GIS mapping, hydrological surveys, and participatory transect walks with communities<br><br>Strengthens climate adaptation rationale (CR1–CR2) by integrating local knowledge with hydrological/ecosystem data; ensures |

<sup>1</sup> As presented in AFB/PPRC.33/40 Annex 1.

<sup>2</sup> The proposal should include a detailed budget with budget notes indicating the break-down of costs at the activity level. It should also include a budget on the Implementing Entity management fee use.

|                                                                |                                                                                                                                                                                                                |        |                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                |                                                                                                                                                                                                                |        | interventions are evidence-based and community-prioritized. <a href="#">(UN-Habitat to directly implement)</a>                                                                                                                                                                                             |
| Participatory flood and drought mapping and scenario exercises | Communities map flood- and drought-prone areas, historical flood/drought events, and drainage/water retention bottlenecks; simplified visual flood and drought risk models co-developed with local authorities | 20,000 | Field mapping workshops, materials, local facilitation, community engagement; includes both flood and drought hazards. (CR4; supports systematic risk-informed planning and avoids maladaptation <a href="#">(UN-Habitat to directly implement)</a> )                                                      |
| Focus Group Discussions and participatory planning workshops   | Community and multi-stakeholder workshops to review findings, validate priorities, and co-design adaptation interventions, defining roles of VDMCs, farmer groups, women-led committees                        | 12,000 | Convene VDMCs, farmer groups, and women-led committees to define roles in prioritization, budgeting, and monitoring.<br><br>Builds local ownership, ensures interventions meet community needs, and enables consensus-driven decision-making. (CR7–CR8, CAR2); <a href="#">(Implemented by MC and UCs)</a> |
| Gender and Environmental/Social Risk Analyses                  | Conduct analyses and develop Environmental and Social Management Plan (ESMP) and Gender Action Plan (GAP)                                                                                                      | 10,000 | Conduct targeted interviews and surveys with women, Indigenous groups, disabled persons, and marginalized households.<br><br>Ensures compliance with Adaptation Fund Environmental & Social Policy and mainstreams gender considerations in project design. (CR9, CAR4);                                   |

|                                                                  |                                                                                                                                |                |                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                  |                                                                                                                                |                | <a href="#">(UN-Habitat to directly implement)</a>                                                                                                                                                                                                                      |
| Identification of project indicators and development of M&E plan | Draft M&E framework and indicators for measuring project outcomes and progress                                                 | 15,000         | Provides tools for results tracking and accountability at community and project level<br><a href="#">(UN-Habitat to directly implement)</a>                                                                                                                             |
| Assessing capacity of executing partners                         | Review and assessment of potential local executing entities                                                                    | 10,000         | Review institutional structures, financial management systems, and technical capacity of local entities. Ensures local actors can manage funds and sustain interventions (CR7–CR8); supports long-term governance<br><a href="#">(UN-Habitat to directly implement)</a> |
| Travel and coordination support for field engagement             | Transport and logistics for project team to engage with communities and local authorities during assessments and workshops     | 20,000         | Organize field visits, consultations, and validation workshops; document proceedings.                                                                                                                                                                                   |
| Technical support for proposal development                       | Consultant synthesizes community inputs and technical assessments into the proposal and produces accessible knowledge products | 20,000         | Engage consultant to synthesize scientific data, community inputs, and Indigenous knowledge into accessible formats.<br><a href="#">(UN-Habitat to directly implement)</a>                                                                                              |
|                                                                  |                                                                                                                                | 132,000        |                                                                                                                                                                                                                                                                         |
| Management fee- 8.5%                                             |                                                                                                                                | 11,220         |                                                                                                                                                                                                                                                                         |
| <b>Total Project Formulation Grant</b>                           |                                                                                                                                | <b>143,220</b> |                                                                                                                                                                                                                                                                         |

Please describe below each of the PFG activities and provide justifications for their need and for the amount of funding required:

**For LLA Projects only:**

If requesting additional funding for LLA projects to enable devolving decision making to the local level, please specify the activities that would directly serve to enable devolving decision making to the lowest appropriate level and enable local actors to make informed decisions on how adaptation actions are defined, prioritized, designed, and implemented:

Please provide justifications for their need and for the amount of additional funding required:

### C. Implementing Entity

This request has been prepared in accordance with the Adaptation Fund Board's procedures and meets the Adaptation Fund's criteria for project identification and formulation

| Implementing Entity Coordinator, IE Name | Signature                                                                         | Date (Month, day, year) | Project Contact Person | Telephone        | Email Address                |
|------------------------------------------|-----------------------------------------------------------------------------------|-------------------------|------------------------|------------------|------------------------------|
| Raf Tuts                                 |  |                         | Odicea Angelo Barrios  | (81-92) 724-7121 | odicea.angelobarrios1@un.org |

# Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE)

## Initial Consultation Report

### Stakeholders and Communities Engaged in Consultations

| No | Name of People Participated                                                                                                                                                               | Date of Meeting | Key Points Agreed/ Discussed                                                                                                                                                                                                                                                                                                                                                       | How inputs informed project design                                                                                                                                                                                                                                                                                                |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 01 | <b>Provincial Irrigation (Chenkalady): Eng. ASM Irsath,</b><br>Ms. Aziza (Deputy Country Programme Manager - DCPM, UN-Habitat)<br>Eng. Aleem (National Project Manager - NPM, UN-Habitat) | 17/06/2025      | <ul style="list-style-type: none"> <li>Improve spillways of 4 medium-sized tanks to enhance climate resilience and reduce downstream flood risk</li> <li>Incorporate tanks into broader flood adaptation strategy.</li> </ul>                                                                   | Recommendations on spillway improvements and hydrological connectivity informed Activities 1.1.1.1 and 1.1.1.6, prioritising rehabilitation of strategically selected irrigation tanks as part of ecosystem-based restoration of the micro-hydrological (lagoon–Thona) system, rather than stand-alone infrastructure investments |
| 02 | <b>Eravur Urban Council: Chairman M.S. Naleem,</b><br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)                                                                        | 17/06/2025      | <ul style="list-style-type: none"> <li>Restore Silted Thona system to reduce flood risks</li> <li>Master plan implementation expected to benefit approximately 18,500 families</li> <li>Ward offices with focal officers established to improve community responsiveness.</li> <li>Letter dated 07.07.2025 endorsing proposed B-CARE project and nominating focal point</li> </ul> | Strong emphasis on restoring silted Thona networks informed Activities 1.1.1.2 and 1.1.1.3, while ward-level coordination mechanisms informed Activity 3.1.1.4 on community co-management, participatory implementation, and monitoring                                                                                           |

|    |                                                                                                                                                                            |            |                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 03 | <b>Women's Self-Help Group:</b> President and 6 members<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Razeen (UN-Habitat)                             | 18/06/2025 | <ul style="list-style-type: none"> <li>Strengthen women's role in flood response and water management</li> <li>Reactivate village disaster committees</li> <li>Improve communication during evacuations</li> <li>Promote ecotourism and community-based resilience</li> </ul>  <p>initiatives.</p>                                            | Component 3 (Activities 3.1.1.4 and 3.1.1.6 strengthened to establish women-led early warning groups, strengthen Village Disaster Management Committees (VDMCs), promote women's participation in Thona co-management and ensure gender-responsive community capacity building. Community consultations also highlighted the need for livelihood opportunities linked to ecosystem restoration to be further developed during full proposal preparation. |
| 04 | <b>Deputy Director of Provincial Irrigation:</b><br>Eng. S. Subaharan<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Mr. Razeen (UN-Habitat)           | 18/06/2025 | <ul style="list-style-type: none"> <li>Establish River Basin and Lagoon Task Forces</li> <li>Enhance coordination between upstream and downstream flood management</li> <li>Restore irrigation tanks</li> <li>Engage communities in evacuation planning.</li> </ul>                                                                          | The proposal incorporated integrated watershed management, hydrological planning, and coordination mechanisms linking upstream and downstream interventions. Community-based evacuation planning was integrated into Component 2 (Activities 2.1.1.2 and 2.1.1.4).                                                                                                                                                                                       |
| 05 | <b>Urban Council of Kattankudy:</b> SHM Asfar (Chairman) and 13 Council Members<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Mr. Razeen (UN-Habitat) | 18/06/2025 | <ul style="list-style-type: none"> <li>Revise and implement drainage master plan</li> <li>Prioritize restoration of Thona and stormwater systems</li> <li>Develop early warning systems</li> <li>Strengthen urban flood mitigation and funding mobilization.</li> <li>Letter dated 07.07.2025 endorsing proposed B-CARE project.</li> </ul>  | Confirmed prioritization of Thona restoration, climate-resilient drainage planning and localized early warning systems under Components 1 (Activities 1.1.1.2, 1.1.1.3, 1.1.1.4 and 3 (3.1.1.3 and 3.1.1.4)                                                                                                                                                                                                                                              |

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 06 | <b>Director of Irrigation – Batticaloa:</b> Eng. M.I.M.Z. Ibrahim<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Mr. Razeen (UN-Habitat)                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 18/06/2025 | <ul style="list-style-type: none"> <li>• Prioritize tank and bund upgrades (e.g., Kithul Tank)</li> <li>• Renovate Munthani Aru basin and abandoned Thonas</li> <li>• Conduct hydrological studies</li> <li>• Develop evacuation infrastructure in Kiran and Santhiveli</li> <li>• Consider implications of Mundeni Aru project – a loan extended by AFD which has been under development since 2017.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Hydrological modelling and watershed assessments were incorporated before final prioritization of investments. Existing and planned investments (including AFD-supported initiatives) were reviewed to avoid duplication and ensure complementarity. (component 2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 07 | <b>Stakeholder Consultation Meeting (chaired by GA Batticaloa):</b> 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 | <ul style="list-style-type: none"> <li>• Finalize concept note for submission to Adaptation Fund by August 2025</li> <li>• Select 40 Thonas and 15 tanks for intervention</li> <li>• Construction of a saltwater intrusion prevention bund to mitigate the effects of rising lagoon water levels</li> <li>• Emphasize early warning systems, equitable water access, strong inter agency coordination, and livelihood restoration.</li> <li>• 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.</li> </ul>  | The cross-sectoral consultation validated an integrated ecosystem-based adaptation approach combining restoration of Thona networks, rehabilitation of irrigation tanks, saltwater intrusion management, hydrological forecasting, and community governance, informing Components 1, 2 and 3. While stakeholders initially identified approximately 40 Thonas and 15 irrigation tanks for intervention, these were subsequently re-prioritised through technical assessment, climate-risk analysis, and available financing, resulting in the selection of 30 Thonas and 10 strategically important tanks. Proposals outside the Adaptation Fund's scope (e.g. major infrastructure investments) were referred to relevant government programmes. |

|    |                                                                                                                                                                                                                                                                                             |            |                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 08 | <b>Vavunatheevu DS and PS:</b> Mrs. N. Sathyananth (Divisional Secretary)<br>Chairman, Pradeshiya Sabha<br>Ms. Aziza (DCPM, UN-Habitat)<br>Eng. Aleem (NPM, UN-Habitat)<br>Razeen (UN-Habitat)                                                                                              | 19/06/2025 | <ul style="list-style-type: none"> <li>● Prioritize water supply project for 3,500 families</li> <li>● Establish treatment plant and distribution system</li> <li>● Coordinate with National Water Supply &amp; Drainage Board for connections</li> <li>● Improve irrigation system to support 15,000 acres of cultivation.</li> </ul>  | The proposed water supply scheme and treatment plant were identified as important development priorities but were not included because they fall outside the adaptation scope and financing envelope of the project. However, concerns regarding water security informed inclusion of irrigation tank rehabilitation, watershed restoration and improved water management measures that contribute to climate resilience were included. |
| 09 | <b>Ministry of Rural Development, Social Security &amp; Community Empowerment:</b><br>Minister Upali Pannilage and Secretary (Acting)<br>A.H.L.D. Gamini Wijesinghe<br><br><b>UN-Habitat:</b><br>Ms Harshini Halangode (Country Programme Manager), Ms Aziza Usoof (DCPM); Eng. Aleem (NPM) | 28.07.2025 | <ul style="list-style-type: none"> <li>● Endorsement of B-CARE proposal – Letter dated 20.07.2025</li> </ul>                                                                                                                                                                                                                                                                                                              | Reinforced the project's locally led adaptation approach and strengthened institutional ownership for implementation through local government and community organizations.                                                                                                                                                                                                                                                              |
| 10 | <b>Ministry of Urban Development, Construction and Housing:</b> Minister Anura Karunathilaka; Secretary Ranjith Ariyaratna<br><br><b>UN-Habitat:</b><br>Ms Harshini Halangode (Country Programme Manager), Mr Laxman Perera (Snr Advisor), Ms Aziza Usoof (DCPM); Eng. Aleem (NPM)          |            | <ul style="list-style-type: none"> <li>● Endorsement of B-CARE proposal – Letter dated 13.08.2025</li> </ul>                                                                                                                                                                                                                                                                                                              | Component 3 expanded to include identification of planning and regulatory gaps, climate-resilient land-use planning and preparation of knowledge products to support replication.                                                                                                                                                                                                                                                       |
| 11 | <b>Ministry of Finance – National Planning Department:</b><br><br><b>UN-Habitat:</b><br>Ms Harshini Halangode (Country Programme Manager), Eng. Mohamed Aleem (NPM), Ms Tameez Bohoran (Project Architect)                                                                                  |            | <ul style="list-style-type: none"> <li>● Confirmation that activities are not duplicated and request for initiation of activities. Email dated 22.10.2025</li> </ul>                                                                                                                                                                                                                                                      | Confirmed alignment with national development priorities and informed the preparation of complementarity with ongoing projects and programmes.                                                                                                                                                                                                                                                                                          |



## Batticaloa Climate Smart Adaptation & Resilience through Ecosystems (B-CARE) Initial Gender Analysis

### Gender Vulnerability

52.04% of the population of Batticaloa District in 2024 are women<sup>1</sup>, while 71.3% live in rural settlements. Moreover, the district records the highest number of female headed households<sup>2</sup>, a lasting impact of the civil war<sup>3</sup>. During extreme climate events, women are one of the most vulnerable segments of society to be impacted<sup>4</sup>.

The female labour force participation rate is low (28.7%) in Batticaloa District<sup>5</sup>, as 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 the extra burden of having 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, water shortages in many areas (even for shorter dry periods) is a common phenomenon<sup>6</sup> with people having to rely on emergency water distribution. Therefore, 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<sup>7</sup>. Approximately 30% of the households are engaged in agricultural activities as their main source of income in Batticaloa<sup>8</sup> and over 45.5% of the district's land is used for agricultural activities<sup>9</sup>. Increased poverty among agricultural rural settlements of Batticaloa severely impact women as they are compelled to devise coping mechanisms to meet the household's basic needs, including food<sup>10</sup>.

Addressing gender inequalities and actively engaging women in disaster preparedness and

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<sup>1</sup> District Population 2024, Department of Census, Sri Lanka

<sup>2</sup> [FemaleHeadedHouseholdsBySector,ProvinceAndDistrict2016.pdf](#) (2019)

<sup>3</sup> [FemaleHeadedHouseholdsBySector,ProvinceAndDistrict2016.pdf](#) (2019)

<sup>4</sup> <https://www.iwmi.org/blogs/climate-change-and-a-national-economic-crisis-are-overworking-rural-women/>

<sup>5</sup> LFS2023.pdf

<sup>6</sup> [Climate Vulnerability Risk Assessment in Eastern Province and Guidance for Capacity Development of Local Governments on Assessing Climate Change Vulnerability, 2023, UNDP Sri Lanka.](#)

<sup>7</sup> [Household Income and Expenditure Survey, 2019, Department of Statistics, Sri Lanka.](#)

<sup>8</sup> [Labour Force Survey Annual Bulletin-2021, Department of Census and Statistics, Sri Lanka](#)

<sup>9</sup> [Statistical Information – 2021, Ministry of Agriculture, Eastern Provincial Council, Sri Lanka](#)

<sup>10</sup> [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/>

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.